Steel Stocks and War

Hitler's Record of Lies

THE FINANCIAL POST

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The Nation's Business

Canada Awaits U. K. Arms Orders

CANADIAN manufacturers are showing impatience about the lack of British war orders.

It is now six weeks since the vanguard of a British mission arrived in Canada. This mission was originally organized on a peacetime basis. The business it was authorized to place in Canada was primarily educational—probably did not exceed $5 or $10 millions in all. In subsequent weeks more key officials arrived. As yet nothing tangible in the way of contracts has been received in Canada, although some plants are already "tooling up" in anticipation of business which it is expected will be placed in the near future.

Patience and preparedness on the part of Canadian industrialists, appear as wise counsel at this time.

It has been no easy task to co-ordinate the wartime programme of co-operative effort between the two countries. The aim has been to work slowly and thoroughly toward the end of perfecting an organization which will stand the strain and stress of the inevitable pressures which develop in any gargantuan war effort. Most of this work has now been undertaken in readiness for final word from Great Britain as to the volume and extent of the immediate business required.

* * *

MEANWHILE there is a considerable amount of preparatory work to be done.

Not only must Canadian capacity—especially in heavy iron and steel and in airplane and engine work—be greatly increased, but the supply of trained mechanics must be multiplied many fold. Special training schools may have to be established and plans laid to divert thousands of Canadian youth from white collars to overalls.

Britain's war programme at the present time is predicated on the war lasting three years. The part which Canadian industry is expected to play in that programme is a very great one. Of that there can be no question.

Everything that can be done by individual industries, individual communities to prepare or husband resources of materials and manpower will facilitate the changeover which must occur once the British orders are actually placed.

* * *

Short-wave Radio As Aid to War Effort

IN ALL parts of Canada there is recognition that this country is failing to do her part in interpreting the Empire's case to the United States. Editorials on this subject which have appeared in these columns have been reprinted widely. Other newspapers have expressed similar views.

One constructive suggestion made by the Regina Star is that Canada proceed at once with a $400,000 short-wave broadcasting project, dormant till now for lack of funds. Channels for such an undertaking are apparently available but have not heretofore been utilized. Says the Star:

> "If the voice of Canada could be heard from the Arctic to the Antarctic and from Tokio to London we would be in a position to do much for our cause at this time and to neutralize to some extent the counterblasts of our antagonists."

* * *

IN TIME of peace there would be reason to question an expenditure of this magnitude. Today it may be necessary to Canada's war effort. Compared with price of first-class bombing planes or other destructive war weapons, the cost is small. It might save us the cost of many score of bombers by helping to swing the strength and influence of the United States in our favor. Such an outlay would have a definite post-war value as well. Unlike destructive weapons of war, a short-wave station would be of considerable use as a national asset in time of peace.

The United States may easily prove the deciding factor in the war. Because of her Empire associations and her proximity to the U. S., Canada is in a unique position to influence public opinion in that country—not in an improper manner nor in an effort to shape the course of American action—but to check ignorance and to counteract misinformation of the type so widely propagandized since the war started.

A quick, effective way for us to make our voice heard in the U. S. would be to extend not only our short wave coverage but to use as well existing radio facilities as a constructive weapon of war effort.

* * *

University College Gives a Lead

THE COUNCIL of University College of the University of Toronto has given a lead which should be followed by educationalists in all parts of Canada. It has inaugurated a series of lectures dealing with the background and causes of the war.

In announcing this series, Principal M. W. Wallace said:

"Since it is possible that many of our students may be going overseas, it is desirable they should be clear in their own minds as to what they are fighting for.

"A group of the staff discussed the matter and felt that a series of lectures dealing with the causes of the war, the fight for democracy, the rôle of the various countries in the war, and so on, might be very helpful to the students."

One lecture will be given by Professor James T. Shotwell, director of the Carnegie Endowment for

(Continued on page 2, col. 5)

Dom. Textile Sales Advance Plants Busy

Wages Increased 10% by Quebec Government Order

EXPORT ORDERS

From Our Own Correspondent

MONTREAL.—Business of Dominion Textile Co. is running well ahead of this time last year and current operations are on a higher level than latter part of 1937.

Like most textile concerns, Dominion Textile has enjoyed a considerable fillip in business in recent months. This is due to a combination of factors, including the war. During the summer, a large order was received from the British Government. This has now been completed, but additional British orders may be secured.

In the latter part of the summer domestic purchases improved, and on the outbreak of war there was a sharp increase. Part of this was due to a rush to build up depleted inventories and a desire to escape prospective price increases. Speculative buying and lessened competition from imports were factors also.

Expectations were that sales would fall off from the level established during the early part of September but as yet there has been no indication of a slowing up of orders.

Secures Export Business

A surprising development is the export business secured by the company. Ordinarily, it does little export business. Recently, however, Dominion Textile has had enquiries from Great Britain, Australia and New Zealand. Orders for Great Britain and Australia have been booked.

The company has stepped-up operations in its plants. At present it is faced with the problem of securing additional experienced help.

As a result of the larger volume of business being handled, earnings of the company are running well ahead of this time last year. Another factor in this is improvement in prices.

The company's fiscal year does not end until March 31 next. Thus, it is too early to make any forecast of earnings for the full 12 months. During the first months of the current fiscal year, the company's volume of business was below the same period of 1938. Now, however, a satisfactory volume for the year is assured.

Net profit of Dominion Textile in 1938-39 was equivalent to $3.28 a share on the common stock, compared with $4.84 a share in 1937-38.

The scale of wages paid by the company was recently increased 10% by an order-in-council passed by the Quebec Government, which amended Ordinance No. 8 of the Fair Wage Board, covering Dominion Textile and associated companies.

Negotiations have been going on between the company and the Fair Wage Board in regard to the scale of wages for some months. Recently, the National Catholic Textile Federation asked the Board for an increase of 25% in all wages paid in the cotton textile industry. One reason given for the request was the increase in the cost of living as a result of the war.

Contest Entries All Start Even

Price Changes After Entry Submitted Not to Affect Final Appraisals

A question that is bothering many prospective entrants in The Financial Post "Investing in War Time" contest, is the possible effect of price changes in securities between the time the portfolio is made up and the completion of judging. It is pointed out that prices as of a certain date may look queer a few weeks later and may throw the proportions badly out.

Contestants are advised to show the date on which their portfolio is calculated. Judging will be done on the basis of conditions on that date.

Of much greater importance will be the methods and arguments presented in support of each portfolio.

Entries are coming in steadily from all across Canada.

Final date for accepting entries is Nov. 1 which leaves only a short time to complete answers and gain a chance for the substantial cash awards.

Tip Top Tailors At Record Level

Tip Top Tailors has on hand at the present time the greatest volume of orders in its history, The Financial Post is informed.

The plant is operating at capacity and recently the company installed new machinery at a cost of $25,000 to cope with the large volume of business.

Recently the company found it necessary to raise the retail selling price of suits $1. At the outbreak of war there were large inventories of cloth on hand, and no difficulty is expected in obtaining constant supplies from abroad. If the source of supply does break down through transportation or other difficulties, the company will be able to turn to Canada for all its supply of cloth.

Three Firms Given 16 Contracts

"Cost-Plus" System Used in Awarding Jobs on Pacific Coast Defenses — Machinery "Rentals" an Interesting Item

Great interest, from coast to coast, has been aroused by the articles in The Financial Post revealing the improvidence, incompetence and political favoritism that have been displayed in Canada's preparedness programme.

Already action has been taken by the Government to close up some of the loopholes in the Department of National Defense through which public funds were escaping.

Ottawa has appointed a War Supply Board to place war contracts. But are the old methods of placing contracts—the old unbusinesslike methods of patronage and cost-plus-contracts-with-no-ceiling—being continued in other departments?

The public would like to know.

The Post has cited chapter and verse of many such Government contracts. Here are the particulars of another group of contracts that will bear some examination.

* * *

In his last full-dress review of Canada's defense budget, as Minister of National Defense, Hon. Ian Mackenzie informed the House of Commons that construction expenditures on the Dominion's Pacific Coast defense works would total $2,895,000 to March 31, 1940.

On the same occasion the Minister indicated that further large sums had been and would be expended on construction of air defense works in the same area.

How has this money been spent?

How is it being spent?—since many of the contracts included in the legacy left by Mr. Mackenzie are still being executed.

Examination of the available records reveals these cardinal facts:

1. Three companies hold, or have held during the past three years, at least 16 defense department Pacific coast construction contracts to a value of approximately $2 millions.

2. At least five of the contracts held by these three companies were awarded on a cost-plus basis without competition of any kind. The value of these cost-plus contracts exceeds $1 million.

3. Machinery rentals could be charged within the terms of certain of these contracts which would pay for the machinery outright within five or six months.

4. Central figure in one of the companies holding certain of these cost-plus contracts is Brigadier W. W. Foster, chief of police of Vancouver, president of the Canadian Legion, and recently appointed director of auxiliary services under the defense department.

5. A central figure in another of the companies was the late General J. W. Stewart, a former close personal friend of Hon. Ian Mackenzie.

* * *

For military reasons neither the location nor the specific nature of the works covered by these contracts will be indicated here. In value, however, the individual contracts range from amounts of a few thousand to more than half a million dollars.

Ten of the 16 contracts were awarded either to Northern Construction Co. and J. W. Stewart Ltd., or to this company jointly with E. J. Ryan Contracting Co. The total value of the contracts awarded to the first named company singly or to the two companies jointly approximates $1.5 million.

Six of the 16 contracts went to Pacific Engineers Ltd., the aggregate value of the work secured by this company being approximately $470,000.

Of the five cost-plus contracts, three were awarded to the Northern-Stewart Company or to the Northern-Stewart-Ryan combination. Two were placed with Pacific Engineers Ltd.

Two of these five cost-plus contracts were authorized in April and May of this year.

* * *

One of the five cost-plus contracts is on file in the sessional papers office of the House of Commons where it can be examined by anyone. The contractors in this case were Northern Construction Co. and J. W. Stewart Ltd. and E. J. Ryan Contracting Co. The contract was signed by the late General J. W. Stewart on behalf of the former company, and by Lieut.-Col. E. J. Ryan on behalf of the latter. It authorized the construction of a defense work which, according to the most recent auditor-general's report, has cost the Canadian taxpayer $525,314.

This contract was the first of the series and it was subsequently cited as the model upon which the financial terms of the later contracts were based. As was the case with all five of the contracts it was awarded without competition to a "selected" contractor.

It provided for the payment to the contractor of:

1. All costs properly incurred in the work.
2. Rentals of tools, machinery and plant provided by the contractor on the basis of a specified schedule of daily rates.
3. A profit of 5% on "cost," not including sales taxes, customs duties, Workmen's Compensation Board payments and rentals of equipment.

Payment was authorized on the basis of 90% of the cost, plus 90% of the 5% profit per week.

The work was to be subject to the control of the defense department through its authorized engineer who was to be the sole judge of both quality and quantities.

* * *

As wages, fuel, power and lubrication were included in "cost," the rentals of equipment in effect constituted payment of depreciation on equipment. These rentals were to be "computed on a standard working day of eight hours and a standard working week of 44 hours."

Typical daily rentals among the 21 rates scheduled were as follows:

	Per Day
Shovel, ¾ yard, gasoline	$35
Diesel caterpillar crane with shovel	$40
Concrete mixer, one yard	$ 8
Concrete bucket, one yard	$ 1
Pump, gasoline, 6-inch	$ 4
Clamshell bucket, one yard	$ 4

The Financial Post has priced equipment of this type with a view to discovering the relation between its cost and the rate of depreciation indicated by the rental schedule. The comparison is indicated below:

Equipment	Price Range of Equipment, New	Yearly Rental Rate Payable Under Contract on Basis of 275, 8-hour Days a Year
Shovel, gasoline, ¾ yard	$13,000 to $17,000	$ 9,625
Diesel caterpillar crane with shovel	around $15,000	$11,000
Concrete mixer, one yard	$ 4,000	$ 2,200
Concrete bucket, one yard	$ 250 to $ 350	$ 275
Pump, gasoline, 6-inch	$ 800 to $ 1,200	$ 1,100
Clamshell bucket, one yard	$ 1,000	$ 1,100

* * *

It will be observed that rentals were authorized at a rate which would pay for the equipment, new, within one to two years. Machinery suppliers state that the economic life of equipment of this type is at least four or five years and that most contractors are able to operate it for much longer periods. All of the equipment listed in the contract was of the kind employed in general contracting. It could be used again elsewhere—on other Defense Department jobs, for instance.

It would seem that the rental rates authorized in this contract constituted a depreciation payment which was extremely generous, to put it mildly.

Furthermore, as is the case in all cost-plus operations of this kind,

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War Orders For Canada Are Pending

Plans Are Maturing For Substantial British Contracts

DATE IS UNCERTAIN

From Our Own Correspondent

OTTAWA. — Literally hundreds of questions being directed at Ottawa these days boil down to this: When will major war orders—including British orders—begin to be placed?

Subsidiary questions take the form of queries as to whether the British Mission is buying and if the French Government has yet appeared on the scene with orders.

The fact is that war orders on a big scale have not yet begun and nobody at Ottawa can say when buying will begin.

Vaughan Ill

Some significance is being attached to the return of R. C. Vaughan to Montreal. Mr. Vaughan was in charge of purchasing under the War Supply Board. He was on loan to the Government from the Canadian National Railways and illness has compelled him to return to Montreal. No doubt a successor will be appointed in the immediate future but in the meantime the board chairman, Wallace R. Campbell, is shaping up his organization.

The one point which is clear is that there will be no competition in this market between British, French and Canadian buyers. The Canadian War Supply Board will act as the agent of all, wherever such action is feasible.

Ready For Business

The British Mission continues its studies of Canada's industrial capacity and is believed to be on the verge of placing a substantial volume of business. Through repatriation of Canadian Government securities, it can now draw upon about $100 millions of Canadian dollars, apart from gold and other foreign exchange resources.

The British War Mission under Col. Greenley is co-ordinating its work with that of Lord Riverdale's air training mission. Both bodies will work with and through the Canadian War Supply Board.

Air Training

Evidence accumulates to prove that the Riverdale Mission, in co-operation with the aviation experts of the Dominion Government—military and civil—is pressing forward the air-training scheme with the utmost vigor.

So far as the training machines are concerned, these may be bought largely from the United States, although the Canadian industry will be used to its full capacity and will be encouraged to expand. No action on American purchases can be taken until the U.S. neutrality law is repealed. In its other phases, the greatest need is for the swift organization of training centres. About 100 airdromes will be required.

It is learned that those in charge of the scheme are being forced, by geography, to locate most of these centres in the prairie provinces. Only in these provinces can unlimited areas suitable for landing fields be found.

Rules Revised For Exchange

New Regulations Help Foreign Trade, Company Accounts

Latest regulations of the Foreign Exchange Control Board largely implement results of recent conferences between representatives of Canadian industry, finance and the Board.

As reported in The Financial Post recently, discussions were under way which, it was hoped, would lead to greater latitude in operating intercompany accounts and in ordinary import or export trade. Included in the latest batch of regulations, numbered from 18 to 34, is permission to operate intercompany accounts and foreign exchange bank accounts under a number of classifications.

Foreign Bank Accounts

Foreign exchange bank accounts may be operated, subject to compliance with regulations that require permission of the Board, by companies or branches which were operating such accounts with a Canadian chartered bank in the ordinary course of business prior to Sept. 15, 1939.

Foreign currency obtained in the ordinary course of business and exchange bought from the Board can be deposited in such accounts. Income from, and proceeds of the sale of, foreign securities or investments cannot be deposited in these bank accounts.

Withdrawals by cheque for ordinary commercial purpose are possible from these accounts. The list of prohibited withdrawals includes payment of interest and dividends, bond maturities, security purchases, repayment of loans (unless such loans were deposited in the account prior to Sept. 15), or any other transaction which means an export of capital.

With regard to intercompany accounts, the new regulations should do much to ease commercial opera-

(Continued on page 2, col. 1)

Seaway Revival Stirs Moves in Quebec, U.S.

U. S. Awaiting Ottawa Move — Neutrality Angle Vexing

From Our Own Correspondent

WASHINGTON.—Persons close to the Administration are highly pleased and surprised with the announcement in The Financial Post last week that Premier Hepburn of Ontario had withdrawn his opposition to completion of the St. Lawrence seaway and power project.

Though the Administration can do nothing officially until a reply is received from Premier King to the American note of May, 1938, the feeling is expressed here unofficially that an affirmative reply from Premier King to the proposed St. Lawrence treaty would be favorably received. President Roosevelt, it is believed, is still anxious to go ahead with the treaty even though Canada has now become a belligerent nation.

If the two nations can reach an agreement as to the terms on which the St. Lawrence project can be completed it is not believed that the war will prove an insuperable obstacle.

Undoubtedly the reopening of St. Lawrence treaty plans between the two countries will add some political strength to those who have traditionally opposed the project. Added to their former arguments they will now aim to show that completion of this waterway under the conditions outlined in the U. S. proposal of 1938 might seriously compromise the States as a neutral nation.

It is not thought that such arguments (though they will undoubtedly be advanced) will seriously affect the outcome.

Power Policy Under Review

Another consideration which will undoubtedly have an important bearing on the attitude of the Administration is the stand taken by the National Power Policy Committee which held its first meeting here this week. The chief business before this committee was discussion of the report of the National Defense Power Committee which has been studying power plans based on co-operation with private industry.

It is accepted as a foregone conclusion that this special defense power body has considered the whole St. Lawrence situation in reference to the emergency power needs of the nation.

While this committee merely acts in an advisory capacity to the president, its report on the relation of the St. Lawrence development to the power needs of industry, in time of crisis, may have a very real influence on the attitude of the Administration to the question of a Canadian treaty. Obviously a strong report as to the urgency of further power development in the New York State area would greatly strengthen the Administration's hand.

Meanwhile the next move is clearly up to Canada.

If Prime Minister King makes a favorable reply to the U. S. proposal of a year and a half ago, there is every likelihood that such a reply will be well received, thus opening the way to further direct discussions leading to the signing of a new St. Lawrence power and seaway pact.

Move Cautiously

From Our Own Correspondent

OTTAWA.—The Government is moving cautiously to follow through on the new and sensational stand by Premier Hepburn of Ontario in respect of the St. Lawrence seaway pact.

Disclosure by The Financial Post of this change in attitude burst like a bombshell on the capital.

Only half a dozen people had any previous inkling of the new circumstances created by Mr. Hepburn's withdrawal of his opposition to the pact. It was realized at once that this reversal of policy on the part of the

(Continued on page 2, col. 7)

Beauharnois Installs New Generators, Plans Bid For Additional Water Diversion to Expand Capacity to 700,000 H.P. — Carillon Project Again Mooted

From Our Own Correspondent

MONTREAL. — Last week's revelations by The Financial Post of revival of the St. Lawrence seaway project, by reason of Premier Hepburn's change of heart, has set the power pot boiling in both Ontario and Quebec.

Developments in the situation are:

Beauharnois Power will bring in two additional 25-cycle generating units before the end of the year; the company will shortly seek Dominion authority to divert a further 30,000 c.f.s. of water from the St. Lawrence River.

Joint development of the 450,000 h.p. Carillon power site on the Ottawa River, between Montreal and Ottawa, by Ontario Hydro and Shawinigan Water and Power Co., is regarded possible within the next year or two. This project has long been mooted.

The Dominion Water Power and Hydrometric Bureau is now investigating available power in Ontario and Quebec and will shortly report to the Prime Minister; upon the outcome of this investigation may depend the Dominion Government's attitude on the St. Lawrence waterways scheme, at least as a ready source of new power.

Shortage in Ontario

Ontario faces the possibility of a power shortage within the near future. The situation may become acute if war demands cause any sharp rise in the need for electrical energy. Ordinary demands of late have been growing rapidly and the Ontario Hydro is seriously concerned with its future power supply.

That is the primary reason for Premier Hepburn's withdrawal of his opposition to the St. Lawrence seaway scheme; an opposition hitherto largely political, but thrown overboard because of the pressing necessity of assuring an adequate power supply.

Beauharnois Prepares

Quebec operators are in a position within a relatively short time and at a comparatively low expenditure to make available a substantial increase in the available power supply for Ontario.

Beauharnois Light, Heat & Power Co. is now working on the installation of two additional 25-cycle units. The work is about 75% complete and the units will be put into operation probably before the year ends.

Surplus 25-Cycle Power

This will give Beauharnois six units of 25-cycle power, or roughly 300,000 h.p. capacity. The present contract with Ontario Hydro calls for an ultimate delivery of 250,000 h.p. (present delivery is 150,000 h.p.) so that the company can provide an additional 50,000 h.p. over and above maximum requirements.

When originally conceived, Beauharnois planned for the installation of 500,000 h.p., half in 60-cycle power

(Continued on page 4, col. 6)

Steel of Canada's Operations Active

From Our Own Correspondent

MONTREAL. — Steel Co. of Canada's rate of operations and indicated earnings for the last quarter of 1939 are confidently expected to pull up earnings for the full year to a level beyond that reported in 1938. Last year the company reported above average returns—$4.24 a share on the combined preferred and combined stock. This contrasted with $5.81 in 1937 and $4.01 in 1936.

During the first half of the year sales exceeded those of the like period in 1938 by a slight margin, but because of the lower prices prevailing, profits were lower. This condition prevailed in the third quarter, but the present set-up for the current three months' period indicates a reversal on the year's results, with profits at a higher level.

Highlights

Canada's steel industry, with margin of idle capacity already narrowing, promises to attain new peaks of production under war demands. Outlook is analyzed in a staff survey, together with review of primary steel producers.

Steel Industry Ready—p. 9.

* * *

Colossal contradictions between Hitler's promises and declarations of policy, on the one hand, and the violent deeds with which he has repeatedly shattered those promises, are presented in chapter and verse of actual record.

"I Am Not Crazy Enough"—p. 9.

* * *

Advantage to Canada of the repatriation of British-held Canadian securities, already officially launched by British treasury orders, is reflected in estimated reduction of net debt and interest charges.

British Orders Launch—p. 16.

* * *

General Index on p. 2.

Copper Scheme "Satisfactory"

But Deal With Great Britain Not Yet Complete

It is understood that most points in the lengthy negotiations between Canadian copper producers and the British Government have been cleared up and that final agreement is imminent.

Canadian copper interests are understood to have received considerably better terms early this week, and they are indicating a belief that the outcome will be satisfactory to their shareholders, especially in view of the patriotic considerations involved.

Consolidated Smelters is understood to have reached its own agreement with Britain covering its lead, zinc and relatively small amount of copper production.

Britain Takes Surplus

It appears that the Smelter deal means that all production with the exception of that contracted for in Canada is to be taken by Britain; at what price or whether on a sliding price scale is not divulged.

There were three main snags in the copper deal. Payment by Britain for part of the production with blocked sterling; allocation of demand among large and small producers; and third, price.

(Blocked sterling means pounds which cannot be converted into Canadian dollars or any other currency. To get their money out of blocked sterling, Canadians would have to spend it in Britain or sell it, probably at a discount, to somebody who could.)

70% in Cash?

One set of terms mentioned in negotiations was for 70% payment in cash or equivalent, 30% in blocked pounds.

The deal will involve most of the exportable copper production of Canada It is understood that latest conversations are that Britain will contract to take two thirds of Canada's 1938 copper exports.

Price for this copper is understood to be a difficult problem to settle. The 10 cent per pound rate fixed by Britain a few days after war was declared was approximately the going open-market price in the days immediately preceding the outbreak of war. For this reason, it can be argued that this price was not unreasonable.

Want Protection

Producers on the other hand want protection against rising costs of production.

Further consideration is that an increasingly successful blockade of the enemy by the British Navy will cut the sizeable German demand out of the world market. One result would be that the very low cost and extensive copper production of Chile would be available to Great Britain.

Northern Ontario Bldg. Bonds Now Being Retired

The 6½% first mortgage sinking fund bonds of Northern Ontario Building Ltd. may be sold to the Bank of Nova Scotia, Toronto, at par plus accrued interest, on or before Nov. 3, 1939, W. D. Ross, president of the company announces.

Rail Orders Are Issued

Five Companies Share $25 Millions of Equipment Contracts

Allocations of the $25 millions of rail equipment orders to be placed by the Defense Purchasing Board for Canadian railways have been announced. Of the total, $15 millions is for the Canadian National and $10 millions for the Canadian Pacific.

Eastern Car Co. (subsidiary of Dominion Steel & Coal): 1,075 box cars for the Canadian National.

National Steel Car Corp.: For C. P. R., 10 mail and express cars, 200 refrigerator cars, and 500 box cars; for C. N. R., 590 box cars.

Canadian Car & Foundry Co.: For C. P. R., 500 box cars and 100 automobile cars; for C. N. R., 1,100 box cars and 500 flat cars.

Montreal Locomotive Works Ltd.: For C. N. R., 15 locomotives; for C. P. R., 12 locomotives.

Canadian Locomotive Co.: For C. N. R., 10 locomotives; for C. P. R., 12 locomotives.

Value of Orders

Value of the respective orders has not been announced officially, but on the basis of previous orders and the number of each type of equipment to be supplied by each company, it is estimated that the orders will amount to approximately the following: Eastern Car, $4 millions; Canadian Car & Foundry, $8 millions; National Steel Car, $7 millions; Montreal Locomotive, $3¼ millions; Canadian Locomotive, $2¾ millions.

Canada at War

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Rules Revised For Exchange

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tions, particularly between Canada and the United States. These intercompany accounts may be operated, under permission from the Board, between any resident company and a non-resident company with which it is associated, either as parent company, subsidiary, branch or associated company for ordinary commercial transactions.

Use of either foreign exchange bank accounts or intercompany accounts is subject to numerous rules outlined by the Board. For example, the Board requires that monthly reports be filed and it can require foreign exchange in such accounts to be turned over to it at any time.

Private Companies

In a number of cases former regulations have been changed. An example is the additional ruling that dividends coming due after Oct. 23, 1939, on any shares 50% or more held by one non-resident or on any shares which are held by fewer than 100 persons cannot be automatically converted into foreign currency, as is allowed for ordinary dividends.

Permits to convert such dividends into foreign currency may be applied for but will not be granted if export of capital is involved.

Personal or family corporations, even if incorporated outside Canada, are to be considered resident corporations for the purposes of the Foreign Exchange Control Board.

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Position Wanted

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Grouped Income	...	6.25
Trans Canada	13.30	13.40

Obituaries

Dr. A. R. Carman, editor-in-chief of the Montreal Daily Star, aged 74, at Montreal.

F. R. Heaton, president, W. Scott & Sons, art dealers, Montreal, aged 74, at Montreal.

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We invite the inquiries of industry for financial accommodation.

The Royal Bank of Canada

Three Firms Given 16 Contracts

(Continued from page 1)

there was no incentive to keep costs down: The greater the cost the greater the profit.

What protection for the public is there in such contracts? The governmental supervision provided for was entirely under the direction of the department that selected the contractors.

Certainly governmental contracts should not be let on any such basis.

• • •

Work authorized by this contract is believed to have been completed, but as already indicated, this document served as a model for subsequent cost-plus agreements. At least four of these are still in process of execution.

Two of these are held by the Northern group and two by Pacific Engineers.

Equipment rentals on a basis to that described above were authorized in at least three of these contracts.

It will be recalled that the rental "day" was defined as eight hours. On this basis, if rentals were charged for two shifts a day, the payment would be twice the "daily" rate; if for three shifts, three times the "daily" rate.

This is an extraordinary provision. Since rental is being paid in lieu of depreciation, it would be reasonable that there should be some allowance for greater use involved in double or triple shift operation. But no such rate as would be arrived at on the basis of this provision would be countenanced in a non-governmental operation. The most that would be allowed under the practice approved by the Associated General Contractors of America would be an increase over the basic rental of 4% an hour for each additional hour.

Take a specific example from the "model" contract of this series. If a Diesel caterpillar crane with shovel were being used, the daily rental on a three-shift basis would be $120. On this basis a machine worth $15,000 with a life of five years or longer would be paid for in something like five or six months.

In this connection The Financial Post asks two questions:

1. Can the Defense Department deny that in the case of one or more of the currently outstanding contracts held by the Northern group rentals actually were charged on some such basis as that indicated above?

2. Is it correct that certain rental payments under certain of these contracts were held up because they were regarded as being excessive?

The public will want to know the answers to these two questions.

• • •

The public will also want to know the identity of the personnel of the three companies which among all the construction companies operating on the Pacific coast have been so fortunate as to have secured such a large proportion of the defense department's West Coast business on such favorable terms.

According to the Companies Branch file at Ottawa, Northern Construction Co. and J. W. Stewart Ltd. is a Dominion private company incorporated in 1931 with a capitalization of 200 shares of no-par value. At the time the company, with E. J. Ryan Contracting Co., got the first of the series of cost-plus contracts from the defense department, then headed by Hon. Ian Mackenzie, the president was Alexander R. Mann, and the vice-president, the late General J. W. Stewart, both of Vancouver. Other directors were J. J. O'Brien and R. McF. Millar of Montreal, and E. M. Boyd and D. McLeod of Vancouver. According to the latest return, the three last named are still directors, with A. R. Mann as president.

As already indicated the initial contract of the series was signed for the company by the late General Stewart. The relationship existing between Mr. Mackenzie and General Stewart was that of a close personal friendship extending over a period of many years. There was also a family connection. Mr. Mackenzie served on General Stewart's staff when the latter commanded the Canadian Railway Troops in France during the last war.

It is also worth noting that a subsidiary of the Northern company, North Western Dredging Co., recently secured from the Public Works Department, a $48,000 dredging contract in Vancouver harbor.

• • •

E. J. Ryan Contracting Co. acts as agent for E. J. Ryan Construction Co. Both are private companies with British Columbia charters. According to the Companies Branch file, at Victoria, B.C., the directors of both these companies at Dec. 29, 1938, were Lieut.-Col. E. J. Ryan, president and managing director, and John F. Keen, both of Vancouver.

Pacific Engineers Ltd., is a British Columbia private company, incorporated April 2, 1924 with capital of 1,000 ordinary and 1,000 preference shares. The Companies Branch file at Victoria indicates that at May 13, 1939, the directors were Brigadier W. W. Foster, then chief of police of Vancouver, J. A. D. Keay and D. B. Macdonald, of Vancouver, E. K. DeBeck, Victoria, and C. A. Strong, Tacoma. The majority shareholder at that date was Chief of Police Foster, who held 525 ordinary and 526 preference shares. Brigadier Foster has been connected with the company since its inception but, according to the records of the Companies Branch, secured voting control Nov. 16, 1937.

Brigadier Foster was appointed police chief in 1935 by G. G. McGeer, M.P., then mayor of the city. Mr. McGeer, it will be recalled, acted as chief defender of Hon. Ian Mackenzie and the Government, in the airing given the Hahn contract before this year's sittings of the Public Accounts Committee of the House of Commons.

Brigadier Foster was promoted from the rank of lieutenant-colonel to that of brigadier in the militia early this year. He is also president of the Canadian Legion and was appointed director of auxiliary services by the defense department on Oct. 4 last, securing leave of absence from his Vancouver police post to take over this duty.

It should also be noted that during the period under review Pacific Engineers was cited in a Vancouver newspaper as having secured other government contracts, including one of $11,000 from the Marine Service and another of $65,000 from the Department of Public Works.

• • •

Another west coast defense department transaction which should not go unnoticed was a contract for a hydraulic fill at a Pacific air station awarded during Mr. Mackenzie's régimé to the British Columbia Bridge and Dredging Co.

The order of the House of Commons under which the papers relating to this and other defense department transactions were tabled called for the production of copies of the contracts "as well as a copy of all tenders with respect to each such contract."

The only tender shown on the file in this case was that of the British Columbia Bridge and Dredging Co. at $41,250.

The Companies Branch file at Victoria indicates that at April 29, 1938, the principal shareholder of this company was W. G. Mackenzie, of Vancouver, who at that time held 999 of the company's 1,000 ordinary shares.

W. G. Mackenzie is another close personal friend of Hon. Ian Mackenzie.

British Columbia Bridge and Dredging Co. is also shown in the two most recent auditor-general's reports as having received from the Department of Public Works more than a quarter of a million dollars for dredging at various points on the Pacific coast.

Thus runs the record. In such ways do politicians do business, ways unknown in any prudently administered enterprise.

The articles in The Financial Post have cited many examples of unbusiness-like methods and of political favoritism in the spending of our defense millions. Contracts have been let to party friends. Contracts have been let on a cost-plus basis with inadequate control of possible profits. Contracts have been let to firms with ill-equipped plants or no plants at all.

What does Prime Minister King think of such methods of doing government business, whether in the defense department or elsewhere? Does he approve? He has said that patronage and profiteering in the conduct of the war are out for the duration of the war.

But the minister under whose direction such contracts were entered into remains a member of Canada's wartime cabinet. Is that Mr. King's real verdict upon the contracts and methods The Financial Post has been revealing?

Bond Sales

Noranda R. C. Schools

Burns Bros. and Denton has purchased $45,000 of 4½% installment debentures of Noranda Roman Catholic Schools maturing 1940-54.

• • •

Charlottetown, P.E.I.

The Bank of Nova Scotia has purchased $127,050 of 4½% 20-year installment debentures of Charlottetown, P.E.I. Of this issue, $76,500 is dated Nov. 1, 1939; $50,000 is dated Dec. 1, 1939, and $500 is dated Dec. 31, 1939. Purpose is for refunding.

Foreign Exchange

During the week Oct. 17 to Oct. 24 there was no change in the quotation of the United States dollar at Toronto and Montreal, which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Oct. 23

Australia	3.58	Italy	.0560½
Belgium	.1863⅛	Japan	.2623
Denmark	.2149	N. Zealand	3.61
France	.0252⅝	Norway	.2524
Holland	.5893	S. Africa	4.47
Hungary	.1953⅝	Sweden	.2646¼
India	.3374	Hong Kong	.2803

The Nation's Business

(Continued from page 1)

World Peace. He will speak in February on "A Just and Durable Peace." A former U. of T. graduate now at Columbia University, will discuss the position of the United States and a noted Frenchman will discuss "What France is Fighting For."

• • •

LECTURES of this type are part of the leadership by inspiration which should be an essential aim of Canada's war effort. So far, little has been done by Ottawa to give enlightenment and guidance to Canadians on the purpose and meaning of the present conflict.

The initial effort of the Department of National Defense to broadcast the story of Canada's fighting services is a step in the right direction but its effectiveness is greatly limited by the speaker remaining anonymous. This anonymity will almost certainly deter Americans from listening in to the story of our war effort. It makes the broadcasts rather lifeless and dull even to Canadians.

The lead given by University College is one that can be followed by educationalists in all parts of Canada. Lectures of this type, if carefully and wisely planned, are of value not only to undergraduates but to all Canadians, young and old.

This particular series might well be given twice, once in the afternoon for undergraduates and then again in the evening for the general public. There is little doubt that Toronto's roomy Convocation Hall would be packed to hear this important contribution to Canada's war effort.

• • •

Reduced Expenditures Needed in Quebec

FINANCES of Quebec province are in anything but a happy state. Recent deficits have been large and debt has increased alarmingly. This has weakened the credit position of the province and Canadian investors are now wary about buying Quebec bonds.

At present, the province is in a difficult situation. It has large bank loans and the banks are not anxious to make further advances. In addition to a large amount of unpaid bills, the province has substantial commitments to be met in the next few months.

During the recent election campaign Premier Maurice Duplessis attempted to shift the blame for the financial difficulties of Quebec to the Dominion Government. He suggested the War Measures Act and foreign exchange control imposed restrictions which prevented Quebec from securing loans. He charged Ottawa was attempting to starve Quebec and had never treated the province fairly in the matter of relief. The truth is that Mr. Duplessis himself is solely responsible for Quebec's difficulties.

No restrictions have been placed by the Dominion Government on provincial finances and borrowing. The Quebec Government is free to make an offering of bonds in the Canadian market at any time. Ontario and Nova Scotia sold issues only last week.

• • •

THERE is, of course, no assurance a Quebec loan would be successful. In fact, there are reasons to believe otherwise.

The Canadian bond market would not give a good reception to an issue as large as Quebec would like to float. Furthermore, it took several months to dispose of the last Quebec loan offered in Canada. Most Canadian investors have all the Quebec securities they want, especially in view of the debt trend.

It is true Quebec can no longer borrow in the United States market. This, however, is not due to the War Measures Act or Foreign Exchange Control. The U. S. Neutrality legislation prevents such action. In any case, it would not be desirable for Quebec to borrow in United States in view of the premium on U. S. funds. U. S. loans are costly these days.

It is entirely within the power of the winner of this week's election contest to correct the situation. The huge gap between revenues and expenditures must be closed and the budget properly balanced. This can be done by increasing taxation, reducing expenditures, or both.

An increase in provincial taxes may be necessary. It should not be countenanced in wartime until a real effort has been made to eliminate all unnecessary expenditures. This is the first responsibility of the newly-elected provincial administration.

Defense Department Contracts

Editors Across Canada Back Post Campaign For Clean-up

Investigate
Timmins Press

The Financial Post has revealed some interesting details of a lease the Department of National Defense has taken on an Ottawa building. The Post claims the building was purchased by the present owner for $62,500 in October, 1937, at that time the building was twenty years old. The Post claims now, that the Department of National Defense has leased the building for a ten-year period at an annual rental of $23,700, or a total for the ten-year period of $237,000.

The only possible excuse for the heavy rental in comparison with the purchase price is a clause in the lease that calls for alterations to suit the Department of Defense. The Financial Post is demanding that the new Minister of Defense, the Hon. Mr. Rogers, investigate the lease, and if it is found that the rental figure cannot be justified, the lease should be cancelled.

While the Financial Post has been very active in criticism of the Department of National Defense as it was administered by the last minister, this should not be considered an excuse to avoid the investigation the Post has requested, and the information warrants.

• • •

Extraordinary Generosity
Leopold Richer in Le Devoir

The Financial Post has published several articles asking the Federal authorities for stricter control of the spending of the public's money. In the past, it has not constrained itself in criticizing the administration of the Minister of National Defense, when this Department was under the direction of Mr. Ian Mackenzie. Apparently, the paper is not disposed to put an end to this campaign. This week, it brings to light what could be called a "business" matter.

It concerns the leasing of a Montreal building by the authorities of the Minister of National Defense. This building, of five stories, was the property of York Realties, Limited, of which Mr. George Rabinovich—a name as English as it is French—is president and manager. The business offices of Mr. Rabinovich are situated at No. 1405 Peel St., Montreal. The building in question is situated in the business centre of the city. York Realties, Limited bought the property on October 29, 1937 for the supposed sum of $62,500. Two months later, the 27th of December 1937, York Realties let the building to the Minister of National Defense for a period of ten years. York Realties agreed, it is true, to make certain repairs to the building.

The Financial Post makes elaborate calculations to show that York Realties is deserving of congratulations on its operations. It asks the new Minister of National Defense, Mr. Norman Rogers, to hold close enquiry into the circumstances surrounding the letting of the building. If the lease cannot be justified from the point of view of public interest, the paper demands that it be rescinded or amended in favor of the Government.

Obviously The Financial Post would not run any risks in making a frank declaration of poor administration. It studies the matter with the help of the information that it possesses. It exposes the advantages gained by York Realties. Finally, it asks the Minister of National Defense to make an enquiry.

The Financial Post renders an important service to the Federal authorities in drawing their attention to an operation of a most extraordinary character. As the paper says, a country which is faced with the realities of war, cannot permit the toleration of so unusual a generosity in the spending of the taxpayers' money. It is to be hoped that the Government will not hesitate to institute the suggested enquiry.

• • •

High Rent Received
Brampton Conservator

The Prime Minister and members of his cabinet with one voice, and Canadians of every class and occupation have been constantly warning and protesting against profiteering, hoarding or in any way using war conditions to their personal advantage. . . . But there are evidences that the warnings are not being heeded, even by the Defense Department.

The Financial Post gives prominence to a transaction which, if the circumstances be correct, certainly deserves the attention of the government. The facts of the transaction referred to are: York Limited, of Montreal, with Geo. Rabinovitch, as president, bought a piece of property in that city for $62,500. That was in October, 1937. Two months later the company leased the property to the Department of National Defense for ten years (the company to make certain repairs) for $23,700 a year or $237,000 for the ten years.

The new Minister of National Defense, Mr. Rogers, is confronted with a clear duty. He should order a complete investigation of the transaction.

• • •

Mr. King's Loud Speaker
New Westminster British Columbian

The pups of Bren Gun appear to have easy access to the conspicuous patronage in the Defense Department because of which the late Minister is spending a term in purgatory. Premier King having valiantly expressed in Parliament his desire to be kept informed as to the "patronage" surviving his discarded minister, was found at once to be unready for action, although at his request a revelation at the Capital was made "in a way that will also bring it to the attention of the country." These brave words were no sooner uttered than one of the most prominent publications in Canada roared into the Premier's defective ears another attempt at profiteering by the management of his Liberal campaigners at the Capital.

The Financial Post leaves it to the judgment of the business community of Canada to say whether the placing of a war-material contract with a firm of insurance brokers who have no plant, at a price one cent below the bid of a recognized, well-equipped manufacturer, can be justified in sound business practice.

Sees War As Stimulus To Canadian Business

"That the war, if it is prolonged, will stimulate Canadian business is taken for granted" says the Conference Board Economic Record, published by the National Industrial Conference Board in the United States. "But" continues the Record, "it is the probable long-term effects on the economic structure which are of greater importance. One thing appears reasonably clear, and this is that industrialization will be accelerated." Reasons cited are as follows:

First, the Dominion's geographical position is a valuable asset and plants could be built which would be virtually immune from attack by enemy bombers.

Second, Canada is well supplied with raw materials and can get many others, required, by rail from the United States.

Third, the growth in industry since the last war has increased her supply of skilled labor and capable managers. "Therefore," concludes this authority, "any protracted war which undoubtedly would result in the destruction of many plants in Great Britain, would greatly stimulate the expansion of manufacturing in Canada. If that occurs, when peace returns, Canada will be in a position to supply more of her domestic requirements of finished goods than in the past, and may well be a much keener competitor for export markets. The United States may thus find its Canadian market for some finished products considerably reduced; demand for certain industrial raw materials on the other hand would probably increase. At the same time, Canadian finished products may compete more actively with those of the United States in other markets."

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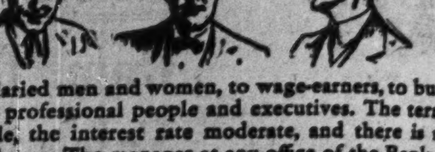

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THE FINANCIAL POST CORPORATION SERVICE
481 UNIVERSITY AVENUE TORONTO, CANADA

Washington Watches Seaway

(Continued from page 1)

Ontario premier removes a major obstacle toward completion of this $500 millions undertaking.

One reason why Ottawa is moving slowly in this matter is concern as to how much the American attitude on completion of the seaway, will be influenced by the fact that Canada is now at war while the U.S. remains a neutral nation.

Fear Political Repercussions

Word has reached the capital that some members of the Roosevelt administration regard it as impolitic to undertake so vast an international project at a time when one of the nations involved is a belligerent in a world war. It is argued that it would be difficult to square such a development, financed largely by U.S. money, with the official policy of neutrality.

In the result, the development would greatly strengthen Canada financially and, if the war lasted long enough, would add greatly to the industrial power which this Dominion could muster in the battle against Hitlerism. If these reports are true, and they seem well founded, it may be necessary to forget the seaway until the war is over or until the U.S. enters the conflict on the side of the Allies.

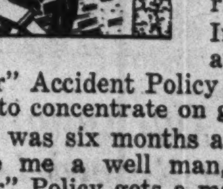
Watching Canada Closely

Apparently, there is some anxiety at Washington with respect to the key position Canada is rapidly assuming in Empire war organization. Canada played no such rôle in the Great War. But this time, Canada is rapidly becoming the first line of defense behind Great Britain—a huge base where all manner of war-essentials can be mobilized.

The announcement that Canada is to be the Empire air training centre, is one of the things which have occasioned wide comment in the U.S. There are several others which, because of war censorship, cannot be mentioned. The Lindbergh broadcast indicates how alarming these developments are to certain influential circles in the United States.

This time, Canada is a major belligerent and it is feared, across the line, that normal relationships between Canada and the U.S. will completely compromise U.S. neutrality. There is no indication, anywhere, that the administration at Washington finds such a prospect disagreeable. But there are indications that the administration is anxious not to strengthen the hands of the Lindbergh group and for that reason such projects as the St. Lawrence waterway may be ignored for the duration of the war.

Admittedly the test of this feeling will come when the U.S. neutrality low is repealed and when the Empire air-training scheme gets under way. The planes needed to launch this scheme will have to be brought in from the United States and, in result, this will mean that a huge air force will be trained here on U.S. machines.



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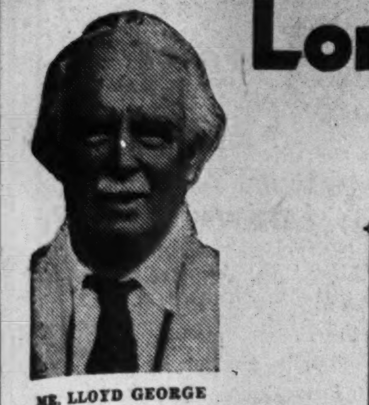
London Calling—By Atticus

Atticus Hears Wide Variety of Voices During a Week of Wartime London — Emotion in Parliament



MR. LLOYD GEORGE

LONDON. — It is a historical commonplace that Joan of Arc heard voices. Mr. Hore-Belisha once told me in explanation of one of his actions that he also had listened to his voices. In my own humble way I must join the distinguished company of the Maid and the Minister and admit to hearing voices for the better part of a week. The fact that others heard them as well may reduce the mysticism of the experience but not the volume.

It was an exclusive performance, however, when at luncheon Princess Bibesco, just returned from Rome, told me all about the Eternal City and how well Sir Percy Loraine is doing there as our Ambassador. The Princess was born in politics and married to diplomacy. She is seldom at a loss for a word or a language and contends that it is only talkers who listen. In her opinion people who are silent do not think.

Then there were the voices of Mr. Lloyd George and Mr. Duff Cooper in a rather painful scene in the House of Commons.

* * *

High Emotion

During the piping times of peace between the first and second German wars there were many occasions when Mr. Lloyd George chilled his friends and angered his critics by his articles and speeches. In a period of war, however, he inevitably recovers much of his lost dignity and importance. Therefore the House of Commons listened eagerly when he rose in his place the other day and urged the importance of considering any peace offer from Germany with patience and, above all, without precipitate action. It was unfortunate that in reinforcing his arguments he made the mistake of emphasizing the potential strength of our enemies. That was a false note, but on the whole, his speech was a sober and wise addition to the debate.

This was not the opinion of Mr. Duff Cooper, who sat there boiling like a kettle. At last the steam blew off the lid, and the ex-First Lord of the Admiralty burst into a highly emotional denunciation of the ex-Prime Minister. He was loudly cheered by the majority of the House, including Mr. Churchill. The result was that even that veteran of controversialists, Mr. Lloyd George, was startled and hurt. He protested that the word "surrender" should not be associated with his name. Mr Duff Cooper admitted that, but, with flushed face and almost Gallic eloquence, he travelled passionately to the end.

* * *

From Berlin

In company with hundreds of millions of others I listened recently to the voice of Hitler from Berlin. What a curious disparity there is between the reading and the hearing of the speech. Perhaps one might say that the voice was for the Germans and the written word for the rest of us.

Most of the time Hitler spoke almost in a monotone, yet periodically he would lash himself into a fury that more than once ended in his own cough and the cheers of his audience. As usual, the cheers began and ended with complete precision. Even emotion is regimented in Germany, and at the sign to halt not one failed to obey. The speech reads as a document of infinite and calculated preparation. To those who listened it sounded like a tormented soul riding the furies of the storm.

* * *

Greeting the Turks

It was a happy gesture for Field-Marshal Lord Birdwood to be chosen to welcome the Turkish Military Mission. When he revisited Gallipoli in 1936 he received a surprise visit from the Turkish commander-in-chief, who had been chief of staff to General Liman von Sanders in the Great War.

The two veterans compared notes with an ever-growing respect for the qualities of each other and their respective nations. In fact both Lord Birdwood and Sir Roger Keyes, who also went on the Gallipoli pilgrimage, were impressed and touched by the warm friendship of the Turks.

Of all the innumerable stories of Birdwood and his Anzacs, I like best the one about the Australian. It was on Gallipoli and the weather was vile. Like a good commander General Birdwood moved among his troops, who were being kept hard at work despite the rain. Coming across an Australian soldier the General hoped he was getting on all right.

"If I may say so, sir," replied the soldier, "I'm getting——fed up with all this trench digging." The General nodded. "Well," he said, "I know it's pretty tough, but it's got to be done, and I'm hanged if I am going to do it all myself."

MR. DUFF COOPER

* * *

In Moscow

The last of the week's "voices" as far as I am concerned was Mr. Walter Duranty, who arrived here via Italy. Mr. Duranty is almost a mythical figure in journalism. For 18 years he has been the Moscow correspondent of the New York Times and associated American newspapers. Other foreign correspondents would arrive and then go back. There were periods when no foreign journalists were allowed in Russia at all.

Mr. Duranty survived every whim of the Kremlin and every manifestation of Bolshevik humanitarianism. No one has ever been able to understand the spell which he puts upon Mr. Stalin and his associates.

Like many others, I had always assumed Mr. Duranty to be an Irish-American. Instead of that he is an Englishman born in Liverpool. He is most agreeable company, and has a realistic view of Europe which is stimulating to the intellect if not in all cases comforting to the soul.

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Ottawa in No Hurry To Fill Empty Seats

From Our Own Correspondent

OTTAWA. — Seldom if ever have there been so many vacancies in Parliament as there are at the present time. There are 11 vacant seats in the Senate and seven in the House of Commons.

The seventh vacancy in the Commons was caused last week by the resignation of O. B. Elliott, Social Credit member for Kindersley, Sask. He has resigned to make way for Hon. W. D. Herridge, the leader of the New Democracy party which includes the Social Crediters.

Of the other six Commons vacancies, all are Liberal and there is one in Saskatchewan, one in Ontario and four in Quebec.

No Early Dissolution

The existence of these vacancies, it is agreed, argues strongly for an early general election. But it is known that the Government is strongly opposed to an election before next summer at the earliest. So strongly is this view held that it is doubtful if Premier Mackenzie King would ask for a dissolution if the Duplessis Government was returned and he lost his colleagues from Quebec.

This being so, a series of by-elections would seem inescapable. Such by-elections would test the party truce which has prevailed since the outbreak of war more thoroughly than heretofore.

By-elections

Despite statements which are made to the effect that a by-election must be held within six months of a vacancy occurring, the law is very doubtful and there is good reason to believe that a government, if it chose to do so, could avoid holding by-elections indefinitely. But ordinarily the death of a member automatically creates a vacancy and this vacancy dates from the day on which the speaker receives official notice of the death.

Most of the present vacancies were caused by death and enquiry shows that the speaker has not received an official notification for any of them. When a member resigns, he must follow the statutory course and send in a resignation attested by two persons. Mr. Elliott has not done this and the resignation announced in the papers last week was irregular. Again, however, when the proper resignation has been filed, the six months period applies.

Herridge Waiting

But the six months provision only requires Mr. Speaker to authorize the chief electoral officer to issue a writ and under another section of the House of Commons Act, this officer is instructed to obtain the date for the proposed by-election from the Government. Unless the Government co-operates, therefore, no writ which would mean anything could be issued.

In any event, the chances are that Mr. Herridge will not find as speedy an entry into the Commons as he may wish. There is no present intention of hurrying on a by-election and there is some doubt if the present political truce can be extended to new parties like the one Mr. Herridge leads.

U. S. Liquor Sales Show Rising Trend

Figures on consumption of distilled spirits in the United States for the first seven months of 1939, indicate that earlier declines should soon be wiped out by a substantial margin.

Figures for July, 1939, show consumption up 16% in 26 states, as compared with the same month in 1938. For the seven months of this year the cumulative total is up 1.9% from last year's level.

Builders Draft Control Plan

Propose Self-licensing For B. C. Construction Industry

From Our Own Correspondent

VANCOUVER.—Working on the principle that it is easier and more effective to clean house from within, leaders in the construction industry in British Columbia are proposing legislation to provide for closer control over their operations.

A joint committee representing all branches of the industry has drawn up a series of licensing proposals providing for regulation of builders and contractors throughout the province. R. J. Lecky, secretary of the Building & Construction Industries Exchange in Vancouver, reports favorable response from all sections.

Licensing Plan

It is planned to set up a provincial organization similar to the Professional Engineers Association, in which each licensed contractor would automatically hold membership. A licensing board would be appointed by the industry rather than the Government, and every member would be entitled to a vote.

Construction men here declare that the proposal, which will go before the next session of the legislature, represents a democratic form of licensing industry from within.

C.P.R. Important Factor In Canada's War Effort

From Our Own Correspondent

MONTREAL.—In Canada's 1914 war effort the Canadian Pacific Railway scored two firsts.

It produced the first shells in Canada less than a month after the order was given.

It introduced the system of using women wherever possible and induced them to wear the then revolutionary breeches.

Once again services of the Canadian Pacific Railway are likely to be an important factor in Canada's contribution to the Allied cause.

In the Great War the C.P.R. was one of the important cogs in Canada's war effort. Through its rail and communication services and steamships it was an auxiliary of exceptional value to the Allied war machine. In the present war it is likely to play a similar part.

Its rival, the Canadian National Railways, will also play an important part, and in this respect the situation is somewhat different from 1914. During the Great War the C.P.R. dominated the Canadian transportation scene whereas today the C.N.R. is in a position to render an equal service in Canada.

However, facilities of the C.P.R. extend beyond Canada and in this connection its ocean steamships are of great importance.

Contributions of the C.P.R. in the Great War can be discussed under five main heads. These are: (1) rail transportation, (2) steamships, (3) financial, (4) manufacture of munitions, (5) personnel.

In regard to rail transportation there is little to be said other than that the C.P.R. handled an increasing volume of goods and supplies during the war in an efficient manner. Troop and supply trains were given the right of way, yet movement of goods for consumption in Canada was not interfered with to any great extent.

Given below are comparative figures of revenue freight in the year before the war and in the last year of the war.

Freight Traffic
Years Ended

	Dec. 31 1914 000's	June 30 1918 000's
Flour, bbls.	13,302	8,802
Grain, bus.*	137,070	184,954
Livestock, head	2,365	2,481
Lumber, ft	3,241,313	2,953,127
Manufactures, tons	9,718	8,148
Other articles, tons	9,798	9,159

*In each of the three years previous to 1918, more than 200 million bushels were handled, the war peak being 256 million bushels in 1916.

Steamships Used By Admiralty

It was through its ocean services that the C.P.R. came into most direct contact with the war. As in the present conflict, the British Admiralty, on the outbreak of hostilities, requisitioned the principal vessels of the company on both the Atlantic and Pacific for service as armed cruisers and transports.

The C.P.R. then had in commission in its Atlantic and Pacific services 38 steamships with an aggregate gross tonnage of 342,000 tons. Four steamships, previously authorized and having a tonnage of 54,000 tons, were completed during the war and 12 steamships of 69,000 tons were purchased.

Of the C.P.R. fleet, 37 steamships, with a gross tonnage of 329,960 tons, were in the service of the British Admiralty during the war either as cruisers, transports or freight carriers. These steamers transported more than a million troops and passengers from or to Canada, the Mediterranean, India, China, Egypt, Gallipoli, Mesopotamia, across the English channel and on the Pacific. In addition, they transported about four million tons of cargo.

Twelve C.P.R. ships were lost by enemy action and three by accident at sea. Nine were sold to the British Government.

At the outbreak of the war two C.P.R. ships, the Montrose and Montreal, were at Antwerp, Belgium for overhaul. A few hours before Antwerp fell into the hands of the Germans, the Montrose set sail for England, with the Montreal in tow, the engines having been taken out of the latter.

On the Pacific, the Empress of Russia and Empress of Asia took part in the blockade of 14 German supply boats in Manila Bay in the early days of the war. They also assisted in the hunt for the famous German raider "Emden." Later, the Empress of Russia, the Empress of Asia and Empress of Japan, along with two vessels of the Indian marine, formed the Red Sea southern patrol.

The C.P.R. also made an important financial contribution to the allied cause. Loans and guarantees made by the company to the Allies during the war amounted to nearly $100 millions. The company also facilitated the deposit of its securities in New York as security for British loans. This involved the exchange of C.P.R. sterling securities for C.P.R. securities payable in U. S. funds.

Made Munitions

In the manufacture of munitions the C.P.R. led the way. The first shells made in Canada were turned out in its Angus shops in Montreal. Indicative of the efficiency with which this work was done is the fact that the first press was completely assembled and tested 20 days after the initial shell order was given —all the designs and patterns being made at the Angus shops in addition to the machinery and construction. Five other hydraulic presses of 322 tons capacity and eleven 800-ton presses for heading cartridge cases were also made at the Angus shops.

It was at the Angus shops that the first large experiment was made in the dilution of labor, by using women, where possible, to relieve the shortage of male labor. There, also, women workers were first induced to don breeches.

Profits resulting from the manufacture of munitions were not taken into the company's income account. Rather, they were applied as a set-off against contributions made by the company to patriotic and relief funds.

The C.P.R. also made an important contribution from its personnel. A total of 10,394 employees enlisted in the army, of which 993 were killed and 1,952 wounded.

Loaned Experts

In addition, the company loaned the services of a number of experts to the Government. Arthur H. Harris, later Sir Arthur, was loaned along with 30 other experts to direct the shipping of supplies from Canada. They controlled all shipping from Canada. Under their direction the number of transport sailings increased from 132 in 1915 to 875 in 1918. Tonnage of materials and supplies cleared rose from 645,922 tons in 1915 to 5,263,540 tons in 1918.

Edward Fitzgerald, another official, acted as purchasing agent in Canada for the British, South African and Russian Governments. Lieut.-Col. J. S. Dennis assisted the British-Canadian Recruiting Mission in United States. Later, Lieut.-Col. Dennis was loaned to the Canadian Red Cross in connection with the Canadian Expeditionary Force to Siberia. Sir George McLaren Browen, then European manager for the C.P.R., was loaned to the British War Office where he was appointed Assistant Director General of movements and railways.

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Investment Trends

Stock Prices Lagging Below Business Level

Canadian Market Index at Variance With Gauge of Business Activity in Dominion—Waterway News Stimulates Stocks Concerned

Pace of the gains on Canadian stock markets has slowed up recently. But before this happened they gave strong evidence of independence of action. It used to be that Canadians could forecast the action of stock prices here with data available from the New York Stock Exchange, but this is not true under existing circumstances.

There is no longer a free movement of investment funds back and forth across the border as illustrated by the wide variation between prices of Canadian stocks in New York and in Canada.

But Canadian stocks can hardly be said to have kept pace with business indicators in this country. For example, The Financial Post business index for September this year stands at 123.4, a gain of 2.4 points from August and comparing with 112.6 for September, 1938. In fact the latest business index figures are higher than for any month since December, 1937.

In the same period, the D. B. S. investors' index of common stocks has risen to 107.7 on October 19 which compares with 96.3 a month ago and 110.8 for the corresponding week a year ago. Actually stocks are lower now than they were a year ago, but the business index is up 9.6%. It follows that stocks cannot be said to have outstripped business.

* * *

Power Lines

When Ontario Hydro accepts delivery of another 66,000 h.p. of power from Gatineau Power Co. on Nov. 1, 1939, the capacity of its main transmitting line to the Toronto district will be reached. The next step will be plans for a duplicate line and, given a continuation of the present trend toward higher power requirements in the Niagara System, the time for this may come soon.

Another power line with its attendant equipment would cost several millions of dollars. Building it would mean an important piece of business for a number of companies. Illustrative of this is the $1 million cost for building a new line from St. Thomas to Windsor, contract for the structural steel (about $200,000) on which has gone to Canadian Bridge Co., a Dominion Steel & Coal subsidiary.

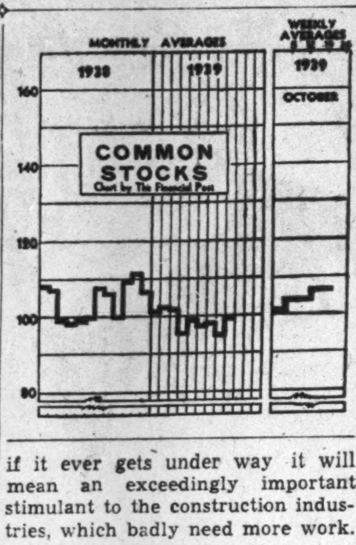
A new line from Gatineau would be a larger proposition than this. It would be a 22,000 volt line, probably using aluminum cables and undoubtedly strung on steel towers.

* * *

St. Lawrence Waterway

First announcement in The Financial Post last week that Premier Hepburn had changed his mind and withdrawn his opposition to development of the St. Lawrence waterway scheme, because of need for more power, was the signal for a number of stocks to move up sharply. Outstanding was Canadian Dredge & Dock shares which reached a new high for this year. Canada Cement looks like another to reflect this potential development.

Start of work on this project is still some time away even if it is decided to go ahead and on the latter question there is the attitude of the United States as well as the Dominion Government to consider. But if it ever gets under way it will mean an exceedingly important stimulant to the construction industries, which badly need more work.



* * *

Storage Revenues

Slowness with which Canada's wheat crop is moving overseas may not satisfy western Canadian farmers nor the Canadian Wheat Board but it must be giving some satisfaction to the elevator companies across Canada. For the last few weeks available storage space has been at a premium, not only in the country elevators on the prairies but also in the terminal elevators in the West and the East.

For the balance of the crop year it looks as though elevator companies will have plenty of storage revenue. Their securities have already reflected much of the prospects for higher earnings. For example, Alberta Pacific Grain preferred, one of the most active stocks in this group, has sold as high as $34 a share, more than double the 1939 low of $14. Toronto Elevators common is quoted at around the year's high of $29 a share against a low of $10.

Market Opinions

Market comment in the United States has shown a tendency to counsel retention of holdings.

Barron's, N.Y. (The Dow Theorist)—"For those who trade on the Dow theory, the best thing to do just now would appear to be nothing. . . . If they have not yet bought, the length of the recession has put the secondary trend sufficiently in doubt to make it seem worth while to hold back until averages have given reassurance by advancing the small number of points needed to make new highs."

* * *

Barron's, New York (The Trader)—"Resiliency can hardly be altogether absent in a market which, in a single day, can recover to the highest level in five weeks. Higher prices with mounting volume and negligible reactions on contracting volume rarely reflect the imminence of a serious liquidating movement.

"Business is rising, as all indices attest; profits are gaining, as third-quarter statements show; dividends are mounting, and forward buying is still in splendid volume. The temporary governmental financial crisis is over and government bonds are higher. That nothing in that array of fundamental factors would bear so vitally upon the future demonstrates the superiority of cash to common stocks."

* * *

Journal of Commerce, N.Y. (Jules I. Bogen)—"The widespread conviction persists that business activity will not remain at the prevailing high level for long, and that by the spring of next year a considerable recession from the current volume of production will be witnessed."

* * *

The Financial World, New York—"The course of the European warfare may from time to time exert important influence upon the short swings of the stock market, but all indications are that the purely domestic situation is such as will adequately support at least the current level of industrial activity in this country for several months to come—assuming, of course, that current labor difficulties are shortly to be settled. Investors appear fully warranted in maintaining their positions in the shares of soundly situated companies which should benefit from the higher levels of business that now prevail. The 'war bride' stocks, which carry the greatest degree of speculative risk, should continue to account for only a minor proportion of the total list."

Canadian Car & Foundry Builds Cars for Trinidad

From Our Own Correspondent

MONTREAL.—Canadian Car & Foundry Co. has completed the construction of 12 passenger coaches for the Trinidad Government Railway.

This is the first order ever obtained by a Canadian firm from the British West Indies for railway passenger coaches. It was secured despite keen competition from British and other manufacturers of railway equipment.

The coaches will be shipped to Port of Spain on a Norwegian boat, specially built to handle complete railway cars.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
1929-38:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	204.6	281.1	197.6	131.7	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.0	43.3
1939:												
Jan.	129.4	16.9	79.1	173.5	52.9	172.9	126.9	133.3	57.5	85.2	42.7	102.9
Feb.	129.4	16.4	77.6	175.9	54.3	175.3	130.4	133.6	58.2	85.3	42.9	104.1
Mar.	126.6	15.1	79.8	173.9	57.2	172.5	127.6	132.9	62.0	85.1	44.4	103.7
Apr.	111.1	11.5	71.4	162.9	55.1	169.2	116.9	119.3	58.9	83.7	41.9	96.2
May	112.5	12.0	78.9	170.2	55.0	176.3	120.4	124.6	60.8	84.7	43.2	99.2
June	114.2	12.4	77.4	153.2	56.2	179.2	124.7	128.8	60.8	85.0	43.7	97.0
July	118.0	12.7	75.0	154.0	59.8	182.1	124.8	129.5	59.2	85.0	42.7	97.3
Aug.	108.6	11.1	76.0	147.9	60.1	180.5	117.7	121.6	56.8	84.3	40.9	94.2
Weekly Figures:												
Sept. 7	125.5	15.6	92.7	161.6	64.0	179.4	107.7	135.6	53.5	81.1	41.0	102.3
Sept. 14	132.9	18.5	101.4	166.2	71.3	169.2	105.9	146.1	53.5	78.6	41.1	99.9
Sept. 21	133.0	18.9	98.9	165.3	71.4	156.6	108.2	143.7	52.1	72.2	39.7	98.3
Sept. 28	141.3	22.1	104.9	167.1	75.3	174.4	112.2	154.4	54.5	76.3	43.3	100.1
Oct. 5	141.7	21.3	104.3	170.0	76.2	174.2	115.1	152.9	56.1	79.2	44.6	101.0
Oct. 12	144.8	21.3	107.3	179.7	78.6	175.0	118.2	153.7	57.6	78.6	45.5	103.4
Oct. 19	151.5	23.1	108.6	189.7	82.9	179.1	120.0	163.2	59.8	80.0	46.0	107.3

*High and low for year from 1929 to 1938 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	10 B.M.	15 W.O.
Oct. 24	128.73	113.82	90.80	34.55
Oct. 23	128.54	113.08	90.67	34.68
Oct. 21	128.73	112.54	90.10	34.66
Oct. 20	129.03	112.33	90.49	34.67
Oct. 19	128.97	112.20	90.33	35.40
Oct. 18	128.82	111.79	90.72	36.10
Month ago	119.73	103.43	88.77	35.84
Year ago	127.27	122.79	103.25	31.37
High, 1939	129.24	128.95	104.12	45.00
Low, 1939	97.75	100.35	79.59	21.07

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cbd.	10 Pprs.	15 Golds
Oct. 24	65.6	92.1	83.3	151.33	101.58
Oct. 23	65.4	91.9	81.3	150.71	99.40
Oct. 21	64.8	92.3	83.1	145.12	100.31
Oct. 20	64.8	92.5	83.2	143.81	100.51
Oct. 19	64.8	92.4	83.2	146.79	100.00
Oct. 18	65.4	92.8	83.6	149.19	99.30
Month ago	58.5	88.3	78.4	143.60	90.53
Year ago	68.5	85.8	80.0	138.11	125.15
High, 1939	70.1	93.1	83.7	151.33	126.48
Low, 1939	55.9	63.2	62.7	50.78	86.88

NEW PRESIDENT

Paul C. Jones, former chairman of Terminal Warehouses Ltd., Toronto, who has been elected president of Dominion Rubber Co. Mr. Jones was made a director in June, 1939. W. A. Eden has retired as president and becomes vice-chairman of Dominion Rubber. F. B. Davis, president of United States Rubber Co., is chairman.

Can. Dredge Contracts Up

Outlook Now Is for Higher Earnings This Year

Volume of contracts obtained by Canadian Dredge & Dock Co. for 1939 to date has been somewhat higher than in the corresponding period a year ago, The Financial Post is told. Although there is still about six weeks left of the current working season on the Great Lakes, there is understood to be a good prospect that earnings for this year will exceed last year, when 64 cents a share was earned on the common.

Outlook for Canadian Dredge is difficult to estimate, according to company officials, but they have been given no reason to fear that the war will bring any particular curtailment of marine work in Canada. There is, in fact, a hope that increased demand for shipping facilities will aid the company. It is mentioned that there has arisen some hope of further work in Jamaica where outbreak of war halted negotiations then under way. Now it is thought that war demands may make further work necessary.

Two Big Chances

Canadian Dredge may obtain business, if and when two talked-of major developments take place in this country.

It is expected that a shipbuilding programme will be a part of Canada's war contribution, likely involving both small and large ships. At Kingston, Ont., Canadian Dredge has a complete but small dry dock which is used for repairing and building their own craft and is available for building any ships of a size that can be accommodated.

Last week The Financial Post was able to announce that there was good prospect that negotiations on the St Lawrence waterway scheme would be reopened with Ontario withdrawing its former objections. Company officials will not hazard any guess as to what effect this project would have on its affairs. But it is reasonable to assume that such a huge scale project would provide a period of great activity for many Canadian companies including Canadian Dredge & Dock.

Apparently possibilities of these two developments have accounted for the awakened activity in the company's stock. As a result the shares moved up from around $16 to a high of $25 for this year on Oct. 21.

Cosmos Imperial Mills Boosts Dividend Rate

Reflecting more satisfactory operating conditions in the current year, Cosmos Imperial Mills has increased the common dividend rate. A quarterly dividend of 30 cents a share has been declared, payable Nov. 15, to shareholders of record Oct. 31. This is an increase of the 25 cents quarterly payment paid regularly since Feb. 15, 1937.

The regular quarterly dividend of $1.25 a share has been declared on the 5% preference stock, payable Jan. 15, to shareholders of record Dec. 30.

David H. Gibson Elected To Board of Honey Dew

David H. Gibson, Toronto, has been elected to the board of directors of Honey Dew Ltd. Mr. Gibson is a director of Simpsons Ltd., London and Western Trusts Co. and National Life Insurance Co. of Canada. He is president of the Toronto Board of Trade.

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Quebec Power Need Rises 12% in First Half of 1939

Domestic and Industrial Demand Features Returns

REVENUES UP MILLION

From Our Own Correspondent

MONTREAL.—Revenue received by the 29 principal Quebec power companies for the sale of electrical energy for the first half of 1939 totalled $26,627,640. This compares with $25,160,454 in the like period of 1938, according to special report released by the Provincial Electricity Board of Quebec.

Total production for the first half of 1939 was 7,310 million kw.h., compared with 6,591 million kw.h. for the first six months last year. Total sales amounted to 6,997 million kw.h., up from 6,197 million a year ago.

Quebec Sales Higher

A breakdown of sales for the first six months of 1938-1939 follows:

(In millions of kilowatt hours)

	1939	1938
Total output	7,311	6,591
Total sales	6,997	6,198
Primary in Quebec	3,205	2,955
Secondary in Quebec	1,932	1,805
Primary exports	1,734	1,323
Secondary exports	125	114

Domestic Trend Good

Industrial power demand continues to absorb by far the greater part of the electrical energy produced in Quebec. Industrial power sales for the first half of 1939 totalled 2,754 million kw.h., a gain of 17 million kw.h. over the 1938 returns.

Probably the most interesting feature of the report on sales of primary energy in Quebec was the large increase in domestic consumption. For the first half of 1938, sales in this category amounted to 131 million kw.h., while for the corresponding period this year distribution totalled 153 million kw.h.

Detailed returns of the primary energy sold in Quebec by the 29 principal distributors follow:

Primary Sales in Quebec
(January to June)
In Kilowatt Hours

Type of Service:	1939	1938
Domestic	152,510,041	130,991,269
Commercial	131,066,744	122,198,395
Industrial	2,754,554,603	2,537,793,778
Municipal	67,975,089	67,503,929
Transportation	80,984,516	78,678,797
Wholesale*	18,387,428	17,361,905

*To municipalities.

Revenues Move Ahead

The sales of electrical energy in Quebec for the first half of this year produced over $22 millions of revenue for the 29 operators, a gain of approximately $1 million over the like period a year ago. On the other hand, exports sales, both primary and secondary, had a value this year of nearly $4.5 millions, as against less than $4 millions for 1938.

Comparative figures of the revenue received by the distributors for the first half of this year, and comparative figures for 1938, follow:

Revenue on Quebec Sales
January to June

	1939 $	1938 $
Domestic	4,134,379	3,866,195
Commercial	3,642,079	3,448,852
Industrial	12,729,616	12,249,189
Municipal	855,054	841,915
Transportation	635,138	635,323
Wholesale	139,123	130,000
Total	22,135,389	21,171,474

Revenue on Export Sales

	$	$
Primary & secondary	4,492,251	3,988,980

In its report the Board points out that the returns of the 29 principal distributors represent 99% of the electrical energy generated by privately owned distributors in the province. As municipally owned systems do not fall within the jurisdiction of the Board, their sales and revenues are not included in the returns.

Loblaw Groceterias Co. To Pay Extra Dividend

Loblaw Groceterias Co. has declared an extra dividend of 12½ cents a share on the class A and B shares, to be paid along with the regular dividend of 25 cents a share Dec. 1, to shareholders of record Nov. 10. This brings payments of extra dividends to 25 cents in the current year, the same rate that prevailed in the two previous years.

Common Stock Financing

The use of equity stocks is often the proper solution of problems of corporate finance.

Among the common stocks listed on the Montreal Stock Exchange and Montreal Curb Market, the following are some of those for which this organization has acted as principal, or one of the principals, in underwriting and distribution:

Agnew-Surpass Shoe Stores
Bell Telephone Company of Canada
Bulolo Gold Dredging
Canadian Bronze
Crown Cork and Seal
Famous Players Canadian
Industrial Acceptance
International Mining
Jamaica Public Service
John A. Lang & Sons
National Steel Car
Niagara Wire Weaving
Pato Consolidated Gold Dredging
Placer Development
Provincial Transport
H. Simon & Sons
Wilsil
Zeller's

A pamphlet descriptive of many of the above companies will be forwarded on request to anyone interested.

The experience and facilities of our organization in this kind of financing are always at the disposal of corporation executives for the discussion of their problems.

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OTTAWA TORONTO QUEBEC SHERBROOKE

198

Can. Bridge Gets Tower Contract

Contract for steel towers required for the projected new million dollar power transmission line from St. Thomas to Windsor, Ont., has been awarded by Ontario Hydro-Electric Power Commission to Canadian Bridge Co., Dosco subsidiary with plants at Walkerville, Ont. Value of the contract is about $200,000.

Purpose of the new high tension line, work on which will start on delivery of the towers early next year, is to increase capacity and reliability of the power delivery channel to the Windsor area. The load being carried on the present old line is getting close to capacity. Decision to proceed with the work was made some time before outbreak of war, though naturally the war and the resultant demand for extra power adds to the reasons for the project.

N.S. Debentures Offered Public

$2.6 Million Issue For Road and General Purposes

The Province of Nova Scotia is offering $2.6 millions of 12-year 3½% sinking fund debentures, dated Nov. 1, 1939, and due Nov. 1, 1951, through a large syndicate of investment dealers.

The bonds are being offered at 99 and accrued interest, to yield approximately 3.60%.

Principal and interest is payable in Canadian funds in Halifax, Montreal or Toronto. Proceeds of the issue will be used to cover highway expenditures and for general purposes.

C. D. S. Securities Reports Gain Preferred Equity

From Our Own Correspondent

MONTREAL. — Consolidated Diversified Standard Securities report that on Sept. 30, 1939, net asset value of the company's preferred stock amounted to $23.57. This was an increase of $4.11 or 21% over the net asset value at the end of the previous month.

MORE D.F.S. STOCK

Dominon Foundries & Steel Ltd. has advised the Toronto Stock Exchange that an additional 768 shares of common stock have been issued under the employee stock purchase plan at $7.50 a share. This leaves a balance of 16,788 shares partly paid. Issued capital is now 12,000 preferred shares and 312,372 common shares.

Investment Notes

Steamers—A slowing up in the volume of traffic available for C. S. L. is seen in the September canal traffic report. Tonnage through the St. Lawrence canals amounted to 1,216,010, as against 1,295,614 a year ago. The drop is almost entirely due to the smaller volume of wheat, which has shown a tendency to back up due to lack of export demand.

* * *

B. C. Power — During the three months ended September, the first quarter of the current discal year, the company reported net profits on its Class "A" stock of $475,554, an increase of $31,899 over the 1938 figure. There are a million shares outstanding.

* * *

International Metal Industries—Business for this year to date has shown some improvement over the corresponding period of 1938 and it is expected that the full year will show earnings somewhere between the 1938 figure of $10.79 a share on the preference stock and the $13.39 a share reported in 1937.

Expansion Move By Beauharnois

(Continued from page 1)

and the balance in 25-cycle power. This would permit full utilization of the 53,000 c.f.s. of water which the company is permitted to divert from the St. Lawrence River.

Want More Power

It will be recalled that a few months ago it was learned that the company was unofficially negotiating with departmental officials at Ottawa regarding the diversion of additional water.

As conditions existed then it would have been necessary for the company to apply to Parliament for authority to make the necessary diversion.

One fact that seems to have been lost sight of is that Beauharnois does not have to go to Quebec for approval of any further diversion of water up to 30,000 c.f.s.; it is only necessary to obtain Dominion approval.

Will Make Application

At this time no formal application has been made to the Dominion Government for authority to divert more water, but The Financial Post learns that such an application will be made very shortly.

Beauharnois prospects of securing authority from Ottawa for diversion of the additional Quebec-sanctioned 30,000 c.f.s. are viewed as promising, for a number of reasons. In the first place, considered as a war measure, there would be no political significance to granting the rights, which would undoubtedly be the case under other circumstances.

Secondly the granting of the rights would not impair the Dominion Government's desire to go ahead with the St. Lawrence waterways scheme; rather, it would help for the reason that the power canal has been so designed that if the seaway development is proceeded with at some future date, the canal can be used jointly for navigation and power purposes.

Thirdly the additional water could be energized at a very low capital cost, probably not more than $65 per h.p. installed capacity, and, moreover, could be made available in very short order.

Room For 14 Units

The present Beauharnois power plant was ostensibly designed for 10 units of 50,000 h.p. each. Actually it is possible to put 14 units in the plant which would give an aggregate installed capacity of 700,000 h.p. if the water were made available.

There are now installed five units of 60-cycle power; four units of 25-cycle power and two 25-cycle units under construction; making in all 11 units.

Between the 25- and 60-cycle units, there is sufficient space to put three more units, either of 60- or 25-cycle power.

Deepening of the channel to carry more water is a relatively simple matter. Accordingly it would be possible for Beauharnois to harness the additional 30,000 c.f.s. of water within a very short time and at a comparatively low capital expenditure.

Given the water Beauharnois could probably make available for Ontario 200,000 h.p. of energy.

Develop Ottawa River

What the Dominion Water Power Bureau will report to Premier King is a matter of guesswork at this stage but the report will undoubtedly reveal that a number of power sites are available along the Ottawa River—the boundary line between Ontario and Quebec.

These can be developed economically and power made available more quickly than from the international section of the St. Lawrence.

Carillon Again to Fore

The possible sites have been investigated from time to time by Ontario Hydro and the available data closely studied. Probably the best and most logical large-scale development would be at Carillon, a short distance from Montreal. The Quebec side of the site is controlled by Shawinigan and the development naturally would be a joint undertaking with Ontario Hydro.

Some years ago there was considerable talk about a power plant at Carillon, but for one reason and another it was put off. While there is no certainty of its development being undertaken in the near future, prospects are considered promising in the event that Ontario finds its power reserve running short.

Development With Quebec

There has been talk that Ontario would like to make a deal with Quebec whereby it would renounce its claims to the joint development on sites along the lower Ottawa, in return for similar action by Quebec to sites on the upper reaches of the river.

Officially the matter has never been taken up, and it is considered unlikely that such an arrangement would be entered into.

If the international section of the St. Lawrence River as a power development has to be deferred for the time being, either because of the time element or through lack of approval by either the Dominion or American Governments, Ontario would have to depend very largely if not wholly upon Beauharnois and the undeveloped sites along the Ottawa for additional power beyond that now available or contracted for. Consequently it is considered that in the event of continued sharp upswing in demand, Ontario will look to joint developments with Quebec.

Meanwhile Ontario Hydro still has a reserve supply of power with Beauharnois and Maclaren-Quebec Power Co. When this reserve is exhausted, Beauharnois will be in a position to supply another 150,000 to 200,000 h.p. if the necessary approval is secured for the diversion of the additional 30,000 c.f.s. of water from the St. Lawrence River.

New Issue

Province of Ontario

3¼% Bonds, due November 1st, 1947

Price: 99.50 and interest, yielding 3.32%

Strength of the security underlying Province of Ontario Bonds is evidenced by the wealth of assets and productive capacity within the Province. In the latest year officially reported, gross value of production amounted to more than $2 billion or over 45% of the total for the Dominion.

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3 That it will also protect the cooling system against clogging from rust formation.
4 That it will not evaporate.
5 That it will not damage the car finish or the metal or rubber parts of the cooling system.
6 That it will not leak out of a water-tight cooling system.

IT SAVES YOU MONEY 3 WAYS

SAVING No. 1 One Filling Lasts all Winter. Esso-Rad does not evaporate—no need to buy an extra quart from time to time as with Anti-Freezes that boil away.

SAVING No. 2 No Danger of a Frozen Rad. With the proper amount of Esso-Rad in your radiator the possibility of a costly radiator freeze-up is eliminated—no need to worry when the temperature drops suddenly.

SAVING No. 3 No Damage to Cooling System or Car Finish. Esso-Rad will not rust or corrode the water circulating system of your car—will not cause damage to the car finish.

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YOUNG MAN WITH ELEVEN YEARS experience in manufacturing concern's accounting department, handling practically all phases of the accounting work, desires change. Addresses for references and other information furnished on your request. Box 197, The Financial Post, Toronto, Ont.

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The provisions of the new Succession Duties Act (Ontario 1939) might possibly make it advisable to change the terms of your Will . . . Our Trust Officers will gladly advise you without obligation in any matters which may give you cause for doubt.

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Bond Markets

Government Financing Feels Impact of War

Borrowing Is Proving More Costly Than Earlier This Year — Nova Scotia and Ontario Float Bonds

The impact of war on government financing is already evident. The cost of borrowing by Canadian governments has risen.

Since the outbreak of war three provinces have made public offering of bonds and $200 millions of 2-year notes have been sold to the banks by the Dominion Government. The cost of this borrowing to the Dominion and the three provinces concerned is higher than on issues sold earlier in the year.

The increase has been comparatively small, however, and is not as large as many investors expected. Neither is it as large as one might have expected on the basis of the break in bond prices in August and early September. Since then there has been substantial recovery in bond prices.

• • •

Ontario Sells Bonds

The largest provincial loan since the outbreak of war is that of the Province of Ontario, $8,614,000 eight-year 3¼% bonds being offered by a syndicate headed by Wood, Gundy & Co. Ltd. Offering price of the bonds is 99.50 to yield 3.32%.

In June last Ontario sold $10 millions of 15-year 3% bonds at 99.75 to yield 3.02%. In other words, the province secured funds for a longer term at a lower cost than is now possible.

The new loan is for refunding purposes, funds being provided to meet all maturities prior to June 1, 1940. Ontario has a number of serial maturities over the next seven months and $5 millions issue falling due on Jan. 16.

A saving in interest charges will result from the refunding operation. Most of the serial maturities and bonds due on Jan. 16 next bear interest at the rate of 4½%.

• • •

N. S. Financing

The Nova Scotia issue of $2.5 millions of 12-year 3½% bonds were purchased by a syndicate headed by the Bank of Montreal at 97.79, giving a cost to the province of 3.73%. This compares very favorably with the cost of 3.67% for an issue of $10 millions of 10-year 3½% debentures sold in May last.

Proceeds of the issue are to be used for general and highway purposes. This means that Nova Scotia may be in the market for additional funds in the not too distant future. On Oct. 1 the province had a $3.5 millions maturity which was met through the sale of treasury bills to the banks. These will have to be refunded.

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P. E. I. Loan

Prince Edward Island was the first province to make a public offering of bonds following the outbreak of war. Through two Toronto investment houses the Island sold $300,000 of 4% seven-year bonds. Cost of the issue to the province has not been revealed, but the bonds were offered at part to yield 4%.

No other public offering of Prince Edward Island bonds was made this year. Late in 1938, however, the province sold 12-year 3% bonds at 98.07, which represents a cost to the province of 3.2%. Cost of the recent issue was certainly higher than this.

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Dominion Financing

The Dominion Government financing consisted of $200 millions of 2% two-year notes sold to the chartered banks at par. In May last the Ottawa Government offered 3-year 1½% notes at 99.375 to yield 1.72%.

The larger part of the proceeds of these notes is to be used for repatriation of sterling securities and refunding purposes. New funds obtained from the sale of the notes approximate $80 millions.

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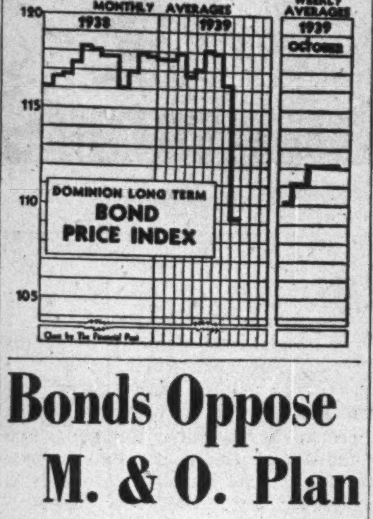
Bond Index

DOMINION OF CANADA
Long-term Bond Index

	Latest week Oct. 13-19	Preceding week Oct. 6-12	Weekly average year ago
Price	112.1	111.1	116.9
Yield	71.1	72.6	63.4



Bonds Oppose M. & O. Plan

Committee Intends to Object—May File Alternative Plan

Bondholders' Protective Committee for Minnesota & Ontario Paper Co. has announced that "based on a preliminary review, the committee feels that the trustees' plan is not as fair to bondholders as it should be." Distribution of new securities between bondholders and unsecured creditors is considered "inequitable" by this committee, while it is claimed that there are certain objectionable features in the mortgage provisions, appointment of directors and other matters.

Hinting that further study may show other objectionable features, the committee announces its intention "to file objections to the trustees' plan and may decide to file an alternative plan." Harry R. Mosser, secretary to the committee, adds that no action on the part of depositors is necessary at present.

The Financial Post, last week, carried a review of the plan of reorganization for, Minnesota & Ontario Paper Co. as filed by the trustees with the court in Minneapolis.

Under this plan, bondholders would receive $400 in new 4% income bonds and 40 shares of new common for each $1,000 bond. To equalize the position of the holders of the different series of bonds, cash payment of $7.50 per $1,000 would be given to holders of series A bonds and $5 per $1,000 to holders of series C. No cash payments would go to holders of series B bonds. A misprint in The Financial Post story last week indicated that holders of series A bonds would have received $70.50 per $1,000 but this should have read $7.50 per $1,000.

Distribution of the new common would give bondholders 73.7% of the outstanding amount, noteholders 7.9% and unsecured creditors 18.4%.

Operations of Minnesota & Ontario Paper Co. for the first eight months of 1939, resulted in a net loss of $1.5 million, after depreciation, depletion and bond interest. Net income, after depreciation and depletion, but before bond interest, was $400,035. These figures exclude National Pole & Treating Co. and European subsidiaries.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Robt. Simpson ..	*5%	1952	Jan. 1 '40	105
Can. Cement ...	†3%	1940	Nov. 1	101
St. Mary's Cement	*6%	1942	Nov. 1	101½
Riordon Pulp ...	*6%	1942	Dec. 31	105
Eastern Car ...	‡6%	1952	Jan. 1	105
Preston E. Dome	6%	1943	Jan. 1	103
Can. Ind. Alc.	*5%	1948	Nov. 15	3.20

*All outstanding balance. For sinking fund purposes. †$750,000 °$86,300. ‡$35,000.

Municipal Finances

Montreal Metropolitan Commission will pay an additional $44,000 in charges in connection with interest payments due Nov. 1 on debentures because of the unfavorable exchange rate on the Canadian dollar.

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Vancouver tax collections to the end of September were down a fraction of one per cent from the comparable figure last year. Total current collections were $9.4 millions, or 85.71% of gross levy for the year. Total of current and arrears was $9.5 millions, or 86.43% of levy.

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Moose Jaw collection of taxes during the year to Sept. 30 was less satisfactory than in the same period last year. Collection of both current taxes and arrears was 82% of total levy, compared with 94.33% last year. There was 7.84% of arrears collected in 1939, compared with 13.03% in the same period last year. Current collections, however, were better in the nine months of the current year, totalling 71.61%, against 70.22%.

• • •

Ottawa relief expenditures in the first nine months of the present year were down $124,810 from the same period last year, G. Percy Gordon, Commissioner of Finance announces.

• • •

Calgary tax collections in the first nine months of the current year amounted to 70.11% of total levy, compared with 66.68% in the corresponding period last year. Tax rate in 1939 was 47½ mills, compared with 50 mills in 1938. Total collections during nine months of the current year dropped to $2.8 millions, compared with $2.9 millions last year.

• • •

Ottawa general assessment will be down $2 millions in 1940, Controller Putnam estimates. In addition there will be $88,000 in tax revenue lost through government expropriation of property.

MAPLE LEAF MILLING APPOINTMENTS

Arnold C. Matthews (left) has been elected vice-president of Maple Leaf Milling Co. Mr. Matthews is president of Canada Malting Co. and director of the Dominion Bank and Toronto General Trusts Corp. C. E. Soward (centre) and K. F. Wadsworth (right) have been appointed directors. Mr. Soward is general sales manager of Maple Leaf and Mr. Wadsworth is manager of the grain and mill operating departments.

Maple Leaf's Orders Gain

President Says Export Flour Demand is Developing

Maple Leaf Milling Co. experienced good results in the first quarter year of operations, D. C. MacLachlan, president and general manager, told shareholders at the annual meeting. In the year ended July 31, the company reported the best operating results since 1929.

During the few days preceding the annual meeting on Oct. 23, the company received some large orders. A large export demand has developed. The company's plants are being operated at capacity, six days a week and frequently on Sunday. The Port Colborne mill will be operated to the close of navigation. All mills of the company are manufacturing 16,500 barrels of flour daily.

Maple Leaf Milling baking subsidiaries in the East are doing very well and there has been some improvement in the West. Conditions in British Columbia are not considered satisfactory by the management.

Milling Companies Active

Canadian milling companies have been very active during the last three months, Mr. MacLachlan stated. There is a good crop of milling wheat available. Yield is expected to be 475 million bushels in western Canada, of which a large proportion will be available for export. There is sufficient grain to meet British and French requirements.

During the year the company contracted with a competitor to grind some of Maple Leaf's requirements. Maple Leaf was therefore able to bring into production the Port Colborne mill because it had left the machinery there, rather than move it into the projected mill at Winnipeg. The Port Colborne mill is now producing 6,000 barrels of flour daily. This has proved valuable in coping with recent export demand for large quantities of flour for immediate delivery.

Capacity of Canadian milling organizations, which has been steadily reduced through closing of mills, fires and obsolescence, is in wartime scarcely able to fill demand. Mr. MacLachlan stated.

Demand for flour in the future will depend entirely on war developments, the president said. Milling companies must be prepared to take out of production any excess capacity which has been developed, to meet war needs.

Three new directors, K. F. Wadsworth, C. E. Soward and George W. Stepan were elected. Arnold C. Matthews was elected vice-president.

Ontario Issue Books Closed

Response to Debenture Offering is Considered Fair

Response to the offering of the Province of Ontario of $8.6 millions of 3¼% debentures is considered good in view of existing conditions. Books of the syndicate have been closed.

The issue is dated Nov. 1, 1939, and matures Nov. 1, 1947. Principal and interest is payable in Canadian funds, and redeemable at the province's option in whole at 100 and accrued interest on 30 days notice on or after Nov. 1, 1945.

The bonds were offered at 99.50, to yield 3.32%, by a syndicate headed by Wood, Gundy & Co. Purpose of the issue was to provide for treasury bills and debentures falling due between Oct. 18 and May 31, 1940.

Debt statement of the province at Oct. 18, shows total net debt of $723.1 millions, of which $228,754 represented revenue-producing and realizable assets. There was $146.6 millions of Hydro-Electric Power Commission debt in this total.

There were contingent liabilities of $137.4 millions outstanding, which included $112.4 millions of Hydro-Electric debt guaranteed by the province. Sinking fund on the debt totalled $6.8 millions.

In the year ended March 31, 1939, the province showed a surplus of $236,038, after extraordinary expenditures, including unemployment relief.

Bond Extension Asked by Town

Cap de la Madeleine Defaulted on Oct. 1 Principal Maturity

From Our Own Correspondent

MONTREAL.—The City of Cap de la Madeleine which defaulted on a principal maturity on Oct. 1 is seeking an arrangement with bondholders to correct the default.

This is the second time in six years that the city has been in default. It first defaulted in Nov. 15, 1933, and the Quebec Municipal Commission took control of its affairs. After several years of supervision by the commission the debt of the city was refinanced without changes being made in the rate of interest on its bonds or in maturity dates. In 1937 the municipality was released from the supervision of the commission.

The present difficulty of the city results from inability to meet a $108,200 maturity on Oct. 1. An attempt was made to sell a refunding issue through Paul Gonthier & Co.. but this was unsuccessful. The Montreal investment firm was able to sell only $16,100 principal amount of the refunding bonds and arrange for the exchange of $6,500 of the bonds which fell due Oct. 1. This leaves $85,600 principal amount of the Oct. 1 maturity not provided for.

Holders of the past due bonds are being asked to accept new 4½% bonds due Oct. 1, 1944. A total of $16,100 principal amount of the bonds will be paid off in cash, those to be redeemed in this manner to be determined by a drawing.

Fairchild Aircraft Debentures Converted

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has called for trading 2,400 additional shares of Fairchild Aircraft Ltd. These shares have been issued in exchange for $12,000 principal amount of the company's 5% convertible notes, and increase the total number of shares outstanding to 124,400.

Issue Manual Of Accounting

Guide For Small Municipalities Prepared By Expert

Officers and representatives of western Ontario municipalities are meeting this week at the University of Western Ontario, London. Representatives will discuss the new manual of accounting practice for small municipalities, prepared by E. Graydon Jarmain, under the sponsorship of the Municipal Finance Officers' Association (U. S. and Canada).

Hon. Eric Cross, Ontario Minister of Municipal Affairs, said this week in regard to the manual:

"Publication of the manual marks an important achievement of the department. It has been specifically designed to meet the needs of municipalities of less than 10,000 population, villages and townships particularly, and will undoubtedly play an important rôle in improving the standard of municipal affairs generally throughout this province.

"The work encompasses virtually every situation coming within the scope of municipal accounting practice and has already been tested in an experimental way in one Ontario village."

At Queen's University, Kingston, on Nov. 9-10, eastern Ontario municipal officials will convene.

PlanRefunding For Fort Erie

Terms Presented to Debenture Holders By Committee

The Fort Erie Debenture Holders Committee has sent out copies of a plan for the refunding of the debenture debt of Fort Erie and Bridgeburg, Ont. Terms have been agreed upon by the committee, the Ontario Department of Municipal Affairs and the fiscal agent of the municipality, Guaranty Trust Co. of Canada.

The plan provides that:

1. Debentures which matured in 1934 and 1935 and portion of those falling due in 1936, are to be paid in cash at face value, plus past due interest at contractual rates to maturity and thereafter at 4½% to date of redemption.

2. Other debentures are to be exchanged for new debentures. dated June 1, 1939, and maturing in one to 40 years. New debentures will bear same interest rates as debentures replaced to original maturity and 4½% thereafter.

Interest Arrears

3. Interest arrears will be calculated to May 31, 1939, as follows: Debentures matured prior to June 1, 1939, at contract rates to present maturity dates and thereafter at 4½%; debentures maturing after June 1, 1939, at contract rates. Cash payment of 90% to be made on all arrears.

4. New debenture maturities to be allotted on basis of present order.

5. New debentures will be callable in whole or part on June 1 of Dec. 1 on 60 days notice.

When consent of two-thirds of debenture holders has been received, application will be made to the Ontario Municipal Board for ratification of the plan.

Bond Tenders

4. p.m., Oct. 30, Village of Little Lake Magog, P.Q.—$12,000, 4%, dated Sept. 1, 1939, redeemable serially from Sept. 1, 1940 to Sept. 1, 1957. M. A. Laine, sec.-treas., 129C King West, Sherbrooke.

Transport Commission Approves Agreed Charge

From Our Own Correspondent

MONTREAL. — The Board of Transport Commissioners has approved the establishment of agreed charges by the Can. National and Can. Pacific Rys. for the movement of gasoline and patroleum products from Calgary to points in Alberta and Saskatchewan.

The agreement is between the Imperial Oil Co. and the McColl-Frontenac Oil Co. It is the fourth agreement approved by the board under the agreed charges legislation.

The agreed charge was opposed by the Lion Oil Co. because the company has no tank stations at various railway points.

IMPROVEMENT

● Three thousand years ago a humble jade carver had an argument with Fu Chow, a ruler in the Ming dynasty. The carver claimed he could improve the appearance of a certain magnificent piece of jade; Fu Chow denied that it was possible. To prove his point Fu Chow placed a silver bowl on the table. He filled it with water—filled it to the brim so that not one single drop more could be added. Then he bowed and left the room.

When he returned the jade carver was no longer there. The bowl of water still stood on the table, but floating on its brimming surface — light, beautiful, and breath-taking — was the petal of a rose. Something had been added where Fu Chow thought satiety had been reached. The jade carver had won his point.

Perhaps something can be added to your products—something which will improve their appearance, give them more "buy appeal" at the point of sale. The correct use of "Cellophane" cellulose film will often accomplish this: we are always glad to discuss its remarkable potentialities as a sales stimulant in relation to *your* products.

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C-I-L CELLULOSE FILM

from Thomas Richard Henry

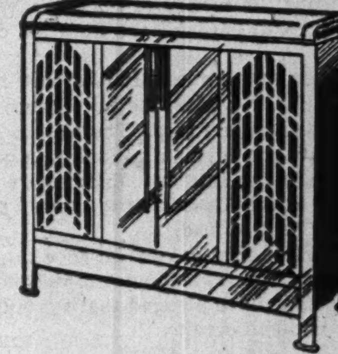
Autumnal Changes From The EVENING TELEGRAM of September 25th, 1939.

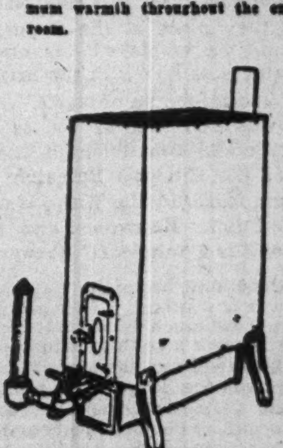
Every fall we rehearse the following lines:
"How would you like a fire in the grate to-night?" we ask.
"All right, but you clean up after it."
Then we go and light the furnace. And the half dozen lumps of cannel coal will likely last us for the rest of our lifetime.

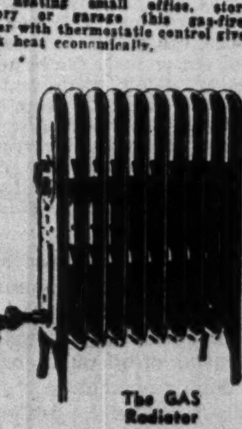
Heat with Gas.. for CAREFREE COMFORT

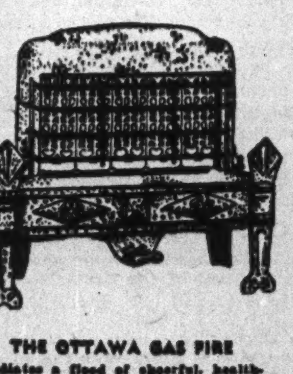
You'll find Gas for auxiliary heating so quick and clean— There's no—"ALL RIGHT, BUT YOU CLEAN UP AFTER IT!" . . . No waiting either for the fire to burn. GAS springs into action at the turn of a valve. And, more important—there is no waste of fuel. You can control the consumption, and have exactly the warmth you want when you need it.

There is a choice of auxiliary gas appliances for every home. Prices are reasonable. An inquiry today will convince you how satisfactory gas is for heating your entire home or for heating ONE room.


THE CIRCULATING HEATER
This beautiful, modern cabinet heater is entirely automatic. Keeps air circulating freely, thus ensuring maximum warmth throughout the entire room.


THE "CONVECTOR" HEATER
For heating small office, store, factory or garage this gas-fired heater with thermostatic control gives quick heat economically.


The GAS Radiator
A warm air heater—fits conveniently into restricted space. Automatic temperature control [illegible] its money-saving operation.


THE OTTAWA GAS FIRE
Radiates a flood of cheerful, healthful warmth. Adds to the attractiveness of any room.

The CONSUMERS' GAS Company
55 ADELAIDE ST. E 2532 YONGE ST. 732 DANFORTH AVE.
AD. 9221 MO. 3517 GL. 4648

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Port Arthur, Ont.	Oct.	W. C. Pitfield & Co., Harris, Ramsay & Co., J. L. Graham & Co.	3½%	1940-44	$25,000	....	....
			4%	1940-48	93,000	....	....
			4%	1940-49	19,650	....	....
			4½%	1940-54	68,481	....	....
4% bonds offered at 101.50; 3½ and 4½% bonds sold privately.							
Port Arthur, Ont.	Oct.	Sinking Fund	3½%	1-20 yr.	16,000	....	....
Catholic Sch. Comm. of Three Rivers, P.Q.	Ont.	A. E. Ames & Co.	4½%	1940-49	175,000	....	....
1940-43 maturities offered at 99.50; 1949 at 100.							
Noranda R. C. Schools	Oct.	Burns Bros. and Denton	4½%	1940-54	45,000	....	....
Charlottetown, P.E.I.	Oct.	Bank of Nova Scotia	4½%	20-yr.	127,050	....	....
Provincial—							
Ontario	Oct.	Wood, Gundy & Co., and Syndicate	3¼%	1947	8,614,000	*99.50	3.32%
Nova Scotia	Oct.	Royal Securities Corp. and Syndicate	3½%	1951	2,557,000	97.79	3.73%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Fairchild Aircraft	Oct.	Collier, Norris & Henderson	†5%	1941-44	$150,000	....	....

†Notes convertible into capital stock on basis of 20 shares for each $100 principal amount of notes.
*Offering price.

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post has the largest paid circulation of all Canadian financial papers.

THE FINANCIAL POST BUSINESS YEAR BOOK AND MARKET SURVEY, YEARLY, $2.

THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, YEARLY, $2.

THE FINANCIAL POST SURVEY OF MINES, YEARLY, $2.

DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS, $8.

THE FINANCIAL POST SURVEY OF CANADIAN OILS, YEARLY, $1.

THE FINANCIAL POST CORPORATION SERVICE, $20 monthly. Special prices for individually selected investor's service.

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GREAT BRITAIN, London—Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1, Telegraphic Address, Atabek, Lesquare, London.

TORONTO, OCTOBER 28, 1939

The Financial Post Editorial Platform for Canada

Winning the war has become the focal point for national and personal effort in Canada. This requires full mobilization of the nation's material and spiritual resources. To the fullest degree this should be obtained by individual effort, freely made. Strong national leadership will inspire service and sacrifice that will reduce the need for regimentation and compulsion.

The Financial Post believes such objectives require:

1. *Strengthening cabinet leadership by drawing upon Canada's best executive brainpower irrespective of political considerations.*
2. *Elimination of public and private waste.*
3. *Pay-as-we-go financial policy.*
4. *Planning the war effort with the post-war as well as the emergency needs in mind.*

In achieving these objectives the spirit of sacrifice and unity in Canada can be used in finding sound, long-term solutions to problems left unsolved in the idle days of peace.

A Good Place to Invest

CANADA still remains one of the world's most attractive fields for investment. In the past decade, and especially in recent years, many British and foreign investors have found here unparalleled opportunity for security and profit. Vast sums of money have fled the troubled areas of the world for the safety of the Dominion.

War and war measures have hardly changed the attractiveness of this country for the outsider's wealth. Though Canada is at war, the results of the conflagration will be economically much less serious than for most countries, including many which remain neutral.

For one thing, Canadian business is well-prepared to withstand war. Our economy is now firmly fixed on at least half a dozen great industries in which the Dominion holds a place of world importance.

As well, Canada is so situated that wealth creation during a period of war will greatly exceed its utilization. Not being a battlefield, Canada's plant and equipment are largely free from the destructive forces of war.

War conservation measures, such as Exchange Control, do not make Canada—in the long run — less attractive to the foreign investor. They protect all Canadian investment, whether of Canadians or foreigners. True, foreign speculators are handicapped; multitudinous in-and-out market manoeuvres are difficult; the money of outside investors may be tied up here for the duration of the war.

But there are few countries where better security, better yields, better chances for capital gain can be found. There is no interference with the payment to foreign investors of dividends and interest. Exchange control in no way affects Canada's payment of public or private debt abroad.

Furthermore, the pay-as-we-go war policy of the Dominion Government is the security we Canadians have pledged that we will protect our national credit.

Exposing a Saboteur

IF CANADIANS are to feel happy about their war sacrifices, it is essential that the resources they place at the disposal of the state should be employed (as one British commentator puts it) "with the maximum of efficiency and minimum of waste."

Public waste in time of war is discussed with clarity and conviction in the current bulletin of the Citizen's Research Institute. It uses for a text: "Public Waste is not only a Thief of Public Resources and a Public enemy but it is a Saboteur." It says, in part:

> "One sometimes hears the statement made that, as war is wasteful, it does not make any difference how much is wasted during wartime. Many more take this attitude tacitly.
>
> "As a matter of fact the more resources we can conserve, the longer our economy can endure the waste of war, and the more likely we are to outlast our opponents and secure a real victory followed by a solid peace. The modern war is a war of resources. Thrift in civil life, as well as conservation in public affairs, as a basis for lavish war expenditures, is, therefore, essential.
>
> "For this reason there can be no let-up in the drive against public waste and inefficiency. Economy and efficiency were important in peacetime, as every public dollar wasted meant a dollar less to be spent privately to meet human needs. Economy and efficiency are more important under present conditions as they mean life and liberty. Waste may mean national destruction."

Federal government expenditure which has amounted to $530 millions annually in peacetime can easily be doubled in time of war The cogency of the argument for economy and careful scrutiny of all public expenditures is therefore doubly evident.

Six weeks ago when he presented Canada's wartime finance programme to parliament, Acting Minister of Finance J. L. Ilsley discussed the need for exactly this type of economy. Yet he made little or no provision for elimination of public waste in the estimates he presented at that time. His wartime budget was virtually superimposed on top of ordinary peacetime expenditure.

There should be a war honor roll in every government department for elimination of public waste. Mr. Ilsley might well be given the responsibility, by the Cabinet, of looking after this essential part of Canada's war effort. He might take time now to see what has been done in this direction since he delivered his budget speech six weeks ago.

He should publicize every achievement. He should expose every failure to attack this wartime "saboteur" wherever it rears its head in the conduct of public business.

The Farmer and War

AGRICULTURAL authorities are to be commended for the prompt warning given to Canadian farmers that mistakes made in the Great War should not be repeated.

Twenty-five years ago Canada was inexperienced in war conditions. The world situation in regard to agricultural commodities was very different from that of today. As a result Canadian farmers did some things they afterwards bitterly regretted.

Wheat acreage was doubled without regard to future peace-time requirements for wheat or for the type of soil on which these new war crops were produced. Later on when the war and post-war period had passed, Canada found itself with a first-class wheat marketing problem on its hands, and serious soil blowing in the light land areas of the West, which should never have been plowed.

Farmers forgot about their valuable pre-war cheese market in Great Britain and turned to other dairy lines which the war had made more profitable. After peace had been restored they found New Zealand cheese firmly established in the Old Country and Canada had to content itself with second place.

But our greatest war time mistake was the let-down in quality. Under the stimulus of soaring prices a ready market could be found for practically every staple farm product, regardless of grade. Sole emphasis was on volume. As a natural result, years of painstaking work of agricultural authorities to build quality markets at home and abroad was jettisoned. At least a full decade was needed after the peace of 1919 to rebuild.

Canadian farmers have already been warned against repeating these mistakes this time. They have also been encouraged to heed these warnings by the relatively sluggish action of farm prices so far in this new war. If these warnings are not heeded, it is difficult to see what corrective steps can be taken to control the situation short of dangerous and, in the end, usually futile, regimentation.

In Liberty's Name

CURRENT edition of Liberty Magazine brings to mind the dying words of Madame Rolland: "O Liberty, what things are done in thy name!"

"Stay out, America!" is the advice that Liberty Magazine gives to its readers. It quotes a number of American overseas correspondents on the question of getting into the war. One by one they warn the United States not to be "charmed" into the war by England and France; not to become a "sucker" in power politics. One of the writers jeers at the very idea of England and France being regarded as democracies or having any high motives at all. Another one brings up the war debts as evidence of Allied double-dealing.

In the same issue Liberty seeks to "expose" British propaganda that dragged the United States into the last war. In an article headed: "How Foreign Nations Poison Our Minds," it seeks to demonstrate that the British fed the American people on fiction.

This is the kind of calumny to which Liberty sinks. But Liberty publishes a Canadian edition. From it all such poison is drained. For Canadian readers Liberty sheds its anti-British policy and disguises itself as Canadian.

It tells of the menacing shadow of Hitlerism. "It is indeed unthinkable that Canada should not face this challenge. Canada is in this struggle until the world has been freed from this bondage of fear," it says.

Could there be greater hyprocrisy than a magazine telling one story to its American readers and another to its Canadian readers?

Liberty! Some people do not know the meaning of the word.

Benito Mussolini once remarked: "We have buried the putrid corpse of Liberty."

Apparently Il Duce and the editors of Liberty Magazine share the same idea of the meaning of the word.

The Provinces and War

PROVINCIAL Governments are not directly concerned with prosecution of the war. Yet their co-operation is important in the field of public finance. Equality of sacrifice applies to provincial finance as well as to other phases of war effort.

Premier John Bracken set a good example for other provinces when he announced that Manitoba would modify its financial policy to conform with the war emergency plans of the Dominion. He said:

> "In the opinion of the Manitoba Government, provincial financial policy should today be developed in the light of present-day conditions. It will not do today for each province in its public finance to go its own way regardless of whether its policies are consistent with those of the other provinces or with that of the Dominion."

One way the provinces can co-operate is to **exercise strict economy. Every effort must** be made to reduce provincial outlays and borrowings.

Most of the provinces enter the war period with heavily unbalanced budgets. Expenditures of every province have increased sharply in recent years. Total provincial expenditures are at least $50 millions higher than four years ago. Elimination of this increase would improve the position of the provinces and do away with the threat of increased provincial taxes.

Every provincial treasurer has a responsibility to apply now the principle of equality of sacrifice by an immediate endeavor to reduce expenditure and balance budgets.

For and Against

TRANSLATIONS from The Financial Post's articles on the Quebec election were widely circulated by both Duplessis and Godbout forces.

The Liberals cited The Post's protest against Premier Duplessis's snap election call at a time when national unity was the paramount need. It quoted Post figures of Duplessis's spending.

The Liberals used Post articles not only to prove that Duplessis should be defeated, but also to "prove" that The Post wanted Duplessis elected in order to force a union government at Ottawa—the "secret desire" of a group of financiers!

Duplessis candidates, too, used The Financial Post's election articles in their own behalf, having no difficulty in translating them to give them the desired twist.

The record as to the use of The Financial Post in the Quebec election is a rather revealing one as to the distortion to which politicians will resort in a bitter election campaign. Perhaps it proves something, too, about the independence of The Post from any party affiliations. This was not the first election in which Post articles were "quoted" in speeches and articles for and against every party in the campaign.

The Canadian Editorial of the Week

Short-wave Wanted

Regina Daily Star

No doubt the British Broadcasting Corporation puts forward its best efforts in short-wave service to this continent. Sometimes its work is excellent and at its best it has registered some astonishing successes. But in its general day-to-day work it is frankly out of touch with America altogether. We are inclined as a people to give more credence to and be less critical of the spoken word than the British and French who indulge as a pastime in mordant and cynical expressions of unbelief in much that is said to them.

This does not alter their and our deep inner conviction of ultimate success in the war, a possession denied our American cousins. Among these it is all important to cultivate a good case, something we think, the pallid and featureless broadcasts of the BBC are failing to do. It may be true that the Berlin station is similarly failing, but with that we are not so much concerned. If someone with the pugnacity, the convictions, and the command of language possessed by Winston Churchill were to broadcast from the BBC daily he would have the largest audience of any.

Canada could do much to interpret the Empire's case to the United States if it only possessed the necessary machinery, which it does not. For long now we have been told our historic mission is just so to do. In this emergency, when our interpretation would be most valuable, we are incapable of assisting. More than that we frequently have to depend upon American sources for our own understanding of conditions.

We need a powerful short-wave station. Something equal to the equipment of other nations. Its uses are so obvious, both in internal and external communications both in war and in peace, that they need not be listed. If the voice of Canada could be heard from the Arctic to the Antarctic and from Tokio to London, we would be in a position to do much for our cause at this time and to neutralize, to some extent, the counterblasts of our antagonists. Costs and plans have been worked out and a suitable wave-length reserved for Canadian short-wave broadcasts. Hitherto the cost, some $400,000, has been held prohibitive—but in wartime when it would be a weapon of inestimable value the outlay would be lost within the larger expenditures on arms and equipment.

Editorials in Brief

Congress is taking plenty of time to decide the fate of the neutrality bill.

After seeing the list of chemicals which are banned under the Act we are not so surprised.

Out of about 40 banned items over 30 have names with more than 20 letters.

Imagine Congressmen trying to argue intelligently about "diphenylaminechlorarsine" or "pentaorythritetetarnitrate."

* * *

In Toronto the 12-year-old son of a Hungarian émigré, who has been resident in Italy for the past seven years, is now attending a Canadian school. He returned home the other day to announce to his parents the news that in the last war British and French troops had served in Italy and had saved the Italians after the battle of Caporetto. "We studied all about the war in the school I went to in Italy but they never told us about the British and French soldiers," he remarked.

* * *

Let's not fool ourselves about this "Hitler" business, warns the Halifax Herald. Hitler, it points out, could go and Hitlerism remain.

As the British Prime Minister remarked recently, our job is to rid the world of "the perpetual and recurring fear of German aggression and enable the peoples of Europe to preserve their independence and liberties."

Some people believe Hitler may some day make a grand gesture of retiring by passing the mantle of leadership over to Goering.

But Hitler might go and the "revolution of nihilism" still remain.

Sayings of the Week . . . .

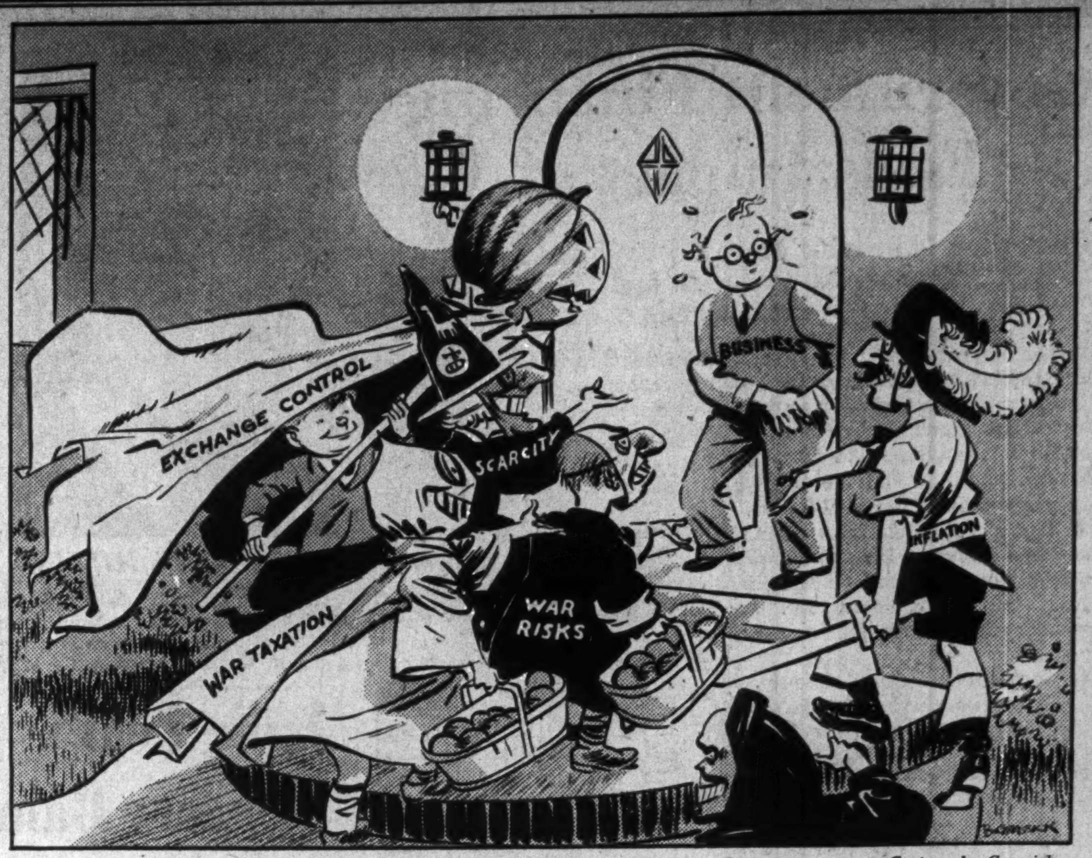
"Canada should be able to become one of the great industrial nations of the earth." — *Lord Marley.*

* * *

"The war in Europe is unimportant—the important thing is—what is going on in the Orient? Trade always has moved westward." — *Roger Babson.*

* * *

"We cannot survive as a great power unless we smash Hitlerism; but if we are to prevent the growth of a new Hitlerism later, we must plan some kind of new international order."—*Julian Huxley.*



—Cartoon by Grassick.

SHELL OUT!

Post-Scripts . . . .

Kiwanian Zeller

Walter P. Zeller of Montreal has been elected governor of the Ontario-Quebec-Maritimes district of Kiwanis. This is one of the highest honors in the organization and is in recognition of the splendid work he has done for Kiwanis and also in tribute to his fine qualities as an individual and businessman.

(Blank & Stoller)

WALTER P. ZELLER

A few weeks ago we quoted Mr. Zeller in our editorial columns in connection with a letter which he had written to his business associates. The letter was not designed for public consumption; only for his managers. In writing to the men in his own organization as to how best they might assist in war effort, he stressed one point: they should not confuse profit-making with profiteering. "The first we must do," he said, "the second we must not do." That sentence comes closer to revealing the business philosophy of Mr. Zeller than a book of words.

* * *

It is only of late that the public has come to know Mr. Zeller. Long before that, however, his name was well known in many Canadian towns, because it adorned the front of a chain of variety stores operated under the name of Zellers Ltd. These stores sell everything that a woman buys in the low-cost field; they even sell men's things that women buy, but not what men buy. This is not a "plug" for Zellers Ltd., but simply stating a basic principle which has been one of the reasons for the success of this chain.

Zellers Ltd. is Mr. Zeller. He is the founder and active head of the organization. Behind his policies is a wealth of experience in the variety chain store field.

* * *

Walter Zeller was born in Kitchener and in March, 1912, started to work in the stockroom of the local Woolworth store. From then on his career reads like a Cook's tour of Canada. The same year he went to London. In 1913 he was assistant manager in Winnipeg. Then to Regina, Saskatoon, and back to Hamilton and Toronto in the same capacity. In April, 1915, he went to Kresge's Baltimore store as assistant manager. In the next seven years he was manager for Kresge at Port Tucket, New Haven, Brooklyn and Syracuse. He left Kresge's to be manager of the Metropolitan Stores at London, Ont. This was in 1923. Three years later he popped up in New York as sales manager of the Metropolitan Stores in the United States.

By this time Mr. Zeller gathered that he knew more than a little about the variety business and in 1928 started his own chain. Subsequently he sold it to Schulte United, of which he became vice-president. When the Schulte enterprise went into bankruptcy, Mr. Zeller purchased Schulte's Canadian stores and started Zellers Ltd.

On the business side of the balance sheet, Mr. Zeller knows as much about the variety store business as any man in the business. On the personal side, he is forthright, hard-hitting and, when asked his opinion, gives it without reserve. What he has accomplished in a relatively short space of time implies a businessman of the "dynamo" type. He is all of that. And to back up his boundless supply of energy, is a knowledge of his own business and capabilities that commands respect.

He has only two hobbies: business and Kiwanis.

* * *

War Builder

To take charge of all War Supply Board construction in Canada, Ottawa has called upon an eminent western engineer, Major William George Swan, D.S.O. and Croix de Guerre, Vancouver, who has participated in many of the biggest building jobs on the Pacific coast in the past two decades.

When war was declared, Major Swan offered his services as a member of the general reserve of officers. Ottawa picked him for the special responsibility of supervising war construction.

For 27 months Major Swan was in France with the army as an officer in the Canadian Engineers and the Royal Engineers, but he was quick to re-establish himself in civilian life. He was appointed consulting engineer to the Vancouver Harbor Commission and the New Westminster Harbor Board. During his first five years of service with the Vancouver board, port improvements totalling $12 millions were carried out under his direct supervision.

* * *

Among the various projects with which Swan was identified were the building of the Grouse Mountain Highway and the West Vancouver Highway, both involving considerable engineering skill. He was consultant in the construction of the Powell River Company's pier in the British Columbia paper town and in the building of Pacific Mills, Ltd.'s wharves.

He superintended the building of several grain elevators in Vancouver and New Westminster, and acted in an advisory capacity in construction of Vancouver's famous Lion's Gate Bridge across the First Narrows, entrance to the harbor, and the Pattullo Bridge, spanning the Fraser River at New Westminster. Several plans which he laid out for improvement of Vancouver's dock facilities have yet to be executed, including the proposed $4,500,000 pier at English Bay.

* * *

Born in Kincardine, Ont., Swan attended school there and later went to Toronto University, where he was a brilliant student in engineering. He served as instructor in engineering at the university for three years before going into private practice

Going to British Columbia in 1909, Major Swan was appointed to the Canadian Northern Railway's engineering staff, being placed in charge of terminals. From 1910 to 1915 he supervised the first 100 miles of main line of the Canadian Northern. In the latter year he went overseas with the 104th Battalion, later transferring to the Engineers.

Returning to the coast provinces Major Swan was placed in charge of the Okanagan branch of the Canadian National, after which he became engineer for the Vancouver Harbor Board and commenced his long period of activity as a general engineering consultant at Vancouver.

His corporation affiliations are numerous. He is president of the Fraser Valley Tie & Timber Co. and president of the American Mining & Milling Co., vice-president of the Colby Crane Engineering Co.

Tall, bronzed and good-looking, Major Swan keeps himself in first-rate athletic trim by golf, tennis and badminton.

* * *

Ourselves

Postscripts has had many nice things said about itself in the year or two since it has been raised to a major editorial page feature. No comments are more appreciated than those of fellow-craftsmen on the influential weekly newspapers of Canada.

Said the Barrie Examiner recently:

> "A very interesting and informative feature carried regularly by that splendid business newspaper, The Financial Post, is "Post-scripts" found in every issue on the editorial page. It consists of brief biographical sketches of men in the public eye."

Stop Me If . . . .

A stranger in town accosted a citizen standing at the street corner and asked him if he could tell him the way to the post office. The citizen was carrying his libations very well, and said he would be pleased to direct him. He then said:

"You go straight ahead four blocks and turn to the right.

"No, let's start over again.

"You go down here four blocks and turn to your right, three blocks.

"No, let's start over again.

"You go up here three blocks and then turn to your left," and he then interrupted himself, and said, "Say, Mister, I don't believe you can reach the post office from where we are."

Rowell Commission Problems

Editor, The Financial Post,

In a recent edition of The Post (Sept. 30) some comments appeared relative to the forthcoming Rowell report. I should like to raise one or two points with reference to the article that appear debatable.

The first issue centres on the taxation of real estate. Mr. White states that "the position of real estate is likely to improve without any adjustment in taxation powers and municipal responsibilities." This is based, mainly, on the assumption that social service costs should decrease as a result of increased industrial production and the value of real estate should improve and tax collections increase.

In view of the fact that in the majority of municipalities, social service consists of contributions to homes for the poor and hospitals, and further, that welfare activities are not susceptible to great economies, under existing policies, such savings as might conceivably be made will be negligible. Of course, relief expenditures may conceivably drop off as a result of military activities, but this will affect only a small proportion of the municipalities—more directly the provinces. Thus, the majority of "stream-lined" municipal budgets in all likelihood will include social expenditures at a level comparable with 1938.

An examination of current expenditures of municipalities throughout Canada indicates that uncontrollable expenditures absorb on an average about 60% of available revenues. The remaining 40% is distributed among various services that cannot be curtailed without serious dislocations in municipal activities.

Debt service charges and the preparation for the amortization of loans in those municipalities favoring sinking funds present problems (not only to the municipal administrations but also to the provinces). If, as may be conceivable, new loans are necessary to amortize maturing debt and borrowing becomes difficult the increased debt burden resulting for a relatively higher interest rate may disrupt the whole field of municipal expenditures. Provincial assistance to municipal units may become necessary.

The value of real estate (particularly new real estate) may, no doubt, increase due to increased costs in the building trades. Also, inflationary tendencies in the economic system may affect values of existing properties. But, the possible increase in value of real property may not improve the property owner's ability to pay taxes in the light of additional regressive Dominion taxes and the possibility of increased provincial levies. Furthermore, since assessment determines the amount of taxes to be levied, and since assessors will in the main be unable to take into consideration all the factors affecting values it is likely that property valuations cannot follow the general trend in price fluctuations. If all real estate is revalued at an increased figure and tax rates are not correspondingly decreased the additional tax burden when capitalized may have the effect of decreasing property values.

The second issue centres on the comment attributed to informed observers that the commission will recommend that the Dominion assume complete responsibilty for welfare services. The wishful thinking on the part of some provinces offset by champions of provincial rights in other provinces, lead other informed observers to believe that the commission would not leave itself open to such suggestions after any consideration of the difficulties of administration and additional revenue collections.

The recommendations concerning the supervision of provincial debt management and borrowing may become a reality before the Government can examine the suggestions of the Rowell Commission. A number of provinces now face the task of refinancing maturing debts under circumstances unforeseen at the time when a borrowing policy was considered expedient even if unsound economically. The responsibility of assisting municipalities in the discharge of municipal obligations may also place an additional burden on provincial finance. With the impact of Dominion taxes increasing in intensity, the Dominion Government may find it necessary to come to the assistance of the provincial treasuries. Moreover, the control of provincial borrowing resulting from the national emergency and its accompanying Dominion powers may establish the Dominion Government as the distributor of increasing financial aid to the province in spite of precautions against such an event.

W. F. LOUGHEED.
Dalhousie University,
Halifax, N.S.

In the Mail . .

Stop the Graft

Editor, The Financial Post:

Many thanks for keeping my subscription alive.

Keep up the articles exposing the weakness, which is not nearly a strong enough term, of the past Minister of Defense. As one who served in the last war, conditions such as have been exposed so far must not be allowed to exist.

To think that anyone can stoop to graft at the expense of the country when young fellows are sacrificing their lives is treason of the worst kind. Yours for Canada.

READER,

Quebec.

As Others See Us . . . .

Work to Do in Canada

Owen Sun Times

The immediate problem facing every Canadian man and women is where and what can I do to be of most use in the present emergency? The responsibility for service rests with each individual if she and he desires to bring victory and peace out of blood and chaos.

The Financial Post in commenting on this problem says that to stay at home at the accustomed job may be a harder, less exciting and far less dramatic contribution at this time. But to many—a great many—Canadians, the path of service "for King and Country" is to stay at home and use their expert knowledge or skill in keeping industry working at top productive speeds.

Reconditioning Would-be Recruits

Forest Standard

The Financial Post has made a suggestion in regards to recruits who fail to pass for enlistment, which is worthy of consideration by the Government. The Post suggests that instead of turning army rejects back to their homes that they be signed up on a temporary basis and put them in reconditioning camps until such time as they are fit to serve in regular forces.

At the moment Canada has more young men in first class physical condition than can be accommodated or equipped. In six months time this situation may have changed.

Canada Has Conscription

St. Thomas Times-Journal

The Financial Post is not a newspaper in the ordinary sense, but in addition to business matters it furnishes a surprising amount of general news concerning the chief events of the day. It is in The Financial Post that we find an article showing clearly, whether politicians are aware of it or merely hiding the fact, that Canada has a sweeping conscription act on the statute books.

Premier Mackenzie King and several others must have been taking part in the recent debate with their tongues in their cheeks. The Department of Defense must know about it. Fortunately, however, there does not seem to be any need for the Act at present. But if and when it does, Parliament will be asked to go through the motions of passing an act to do what there is already power to do.

Not Just Executive Ability

Newmarket Era

The Financial Post calls upon Prime Minister King to eliminate "politics, patronage and unsound business practices from all phases of government." If possible, that would be just as desirable during peace as during war. We doubt if it is possible within the parliamentary frame-work.

As a specific plank in its platform, The Post asks for "strengthening cabinet leadership by drawing upon Canada's best executive brain-power irrespective of political considerations." It is as simple as that!

Canada's ablest executives may lack the ability to explain their actions, to accept criticism gracefully, and to win support for what they are doing. Statesmen must be more than good businessmen, for they must either carry out the wishes of the people or gain public approval for their own policies. It is simpler to be a dictator than a democrat, but in this country there is a scarcity of people ready to be dictated to.

Other People's Views

Advertising and Wages

Vancouver Sun

Now that every man has become his own economist and works out his own particular remedy for all public ills, it may be pertinent to note two common fallacies that have had much circulation lately. The first is that wage-earners are getting a smaller and smaller share of the national income as great fortunes pile up. The second is that advertising so greatly increases the cost of goods that all commodities would be cheaper if they were not advertised at all.

United States Secretary of Commerce Harry Hopkins had a thorough study made of where the American national income went in 1938. This was the conclusion—that the wage-earner's share was the greatest of any year since any calculation began to be made of the national income. Dividends, that is, the reward of invested capital, fell off one third from 1937. But the share of the wage earner reached a new all-time high of 67.3 per cent.

In second place, the Twentieth Century Fund, which has been studying distribution problems, has found that the cost of advertising is much less than had been expected. The actual cost is from a small fraction of one per cent to a maximum of eight per cent. For widely advertised products, the cost was infinitesimal and the average for all goods was set at less than three per cent of the price paid by the final purchaser.

The cost, for instance, in cigarettes selling at fourteen cents per package was just over half a cent. A widely advertised soft drink put less than 16-100ths of a cent's worth of advertising in each five-cent glass. A standard breakfast food paid three tenths of a cent for a fifteen-cent package.

Obviously, when the wider distribution, with consequent lower production costs, is balanced against such expenditures as these, it is a certain conclusion that advertising has actually reduced the cost to the consumer.

Week in Business

Stream Of War Orders Momentarily Expected

Canadian Purchasing Power Already Showing Strong Upswing — Pending Orders Believed to Run to Hundreds of Millions

Wheels in Canadian factories with orders for war supplies are now running night and day. Three shifts are working to turn out goods required. Activity is specially marked in those plants making materials of which there is a shortage, so that other manufacturers requiring those materials will not be held up.

An example is khaki cloth, scarcity of which, it is stated, has tended to delay the output of uniforms. When supplies of cloth and other materials needed for soldiers' clothing and equipment become more plentiful, manufacture of the finished articles will be speeded up materially.

Uniforms are only part of the equipment required, which includes boots, rubber ground sheets, razors, and what not. Orders for the heavier types of military supplies and equipment are momentarily expected. The belief is that while Canada will probably make a substantial contribution in man power to the Allied armies, her big contribution will be in foodstuffs and munitions. Present estimates say the amount that will be spent in this country by the British Government for shells, airplanes and similar things, in the near future will run to hundreds of millions.

From all sides come reports of plants of the heavy industries being prepared to begin manufacture of shells immediately. Skilled mechanics and tradesmen are becoming scarce. A good many mechanics have already been enlisted in the technical branches of the Canadian Active Service Force, while in other cases, industries are taking on additional personnel so that they will not be caught short of skilled help when the big orders come.

The certain effect from all this is great expansion in payrolls. Merchants are showing their confidence in the outlook by buying ahead in a manner that has not been seen for many a long day.

• • •

Indirectly the war has been having a good effect on many lines of business. For instance, newsprint production and exports were considerably higher in September. A big reason was a substantial increase in newspaper circulation in the United States, particularly in the first part of the month. The quest for war news has also meant better demand for radios. In many houses where one radio was formerly regarded as standard equipment, two are now required. The big thing is that the people have the money to buy these and other goods in substantial volume.

The experience of the last war gives evidence of what may be expected this time. In the last war business experienced great activity.

Business Indicators

Current business active, with The Financial Post Business Index for September rising 2.4 points over August to 123.4, 10.8 points above last year. D.B.S. weekly index for week ended October 14 easier, largely because of smaller stock market transactions.

Department store sales in September higher than September, 1938.

Living costs index on September 1 unchanged from August, and lower than last year.

Carloadings for week ended October 14 above last year. Cumulative for year to date up 2%.

Pig iron production in September higher than year ago. Total for nine months down 12%.

Railway earnings for second week in October above last year for C.N.R., lower for C.P.R. Totals for year to date up 9.3% and 5% respectively.

Automobile financing for new and used cars lower than last year in September, and for first nine months.

Cigarette consumption in September lower than year ago. Cumulative for nine months up 2.1%.

Bank debits. for first nine months 2.9% above 1938 level.

Life insurance sales in September gain 33% over same month in 1938.

Trend of business shown by The Financial Post Business Index and following key factors, new items for the week being marked thus ▲

	Oct. 14	Oct. 7	Sept. 30	Sept. 23	Oct. 15/38
Commodity prices	78.0	78.0	77.9	77.9	74.3
Weekly index	105.2	107.0	108.1	110.2	109.1
	Sept.	Aug.	July	June	Year Ago
Financial Post index	*▲123.4	121.0	119.8	118.8	112.6
Retail index no. of sales	....	81.2	83.4	84.9	78.5
Dept. store "	85.7	73.1	77.3	72.1	76.8
Wholesale "	....	102.6	92.1	99.3	98.2
Country (% change fr. last yr.)	....	—2.2	—6.2	—7.7	—0.8
Employment D.B.S. Index—	Sept. 1	Aug. 1	July 1	June 1	Year Ago
All industries	119.6	117.5	115.8	113.1	115.1
Manufacturing	115.3	112.8	111.3	111.4	113.8
Wage earners No. (000)	....	....	2,419	2,385	2,308
Living costs	▲$17.02	$17.02	$16.93	$16.92	$17.41
			Jan. 1 to date		%
Railways—	1939	1938	1939	1938	Change
Carloadings, week (Oct. 14)	▲60,079	56,815	1,959,146	1,905,061	+2.7
C.N.R. gross, week (Oct. 14)	$ ▲5,931,079	4,285,704	152,144,564	139,119,409	+9.3
C.P.R. gross, week (Oct. 14)	$ ▲3,697,000	3,769,000	113,507,000	108,043,000	+5.0
C.P.R. net revenue (Aug.)	$ 905,950	491,021	6,883,453	3,679,387	+87.0
C.N.R. net revenue (Aug.)	$ 638,203	660,249	347,712	•5,116,693	....
Iron and Steel (Sept.)—					
Pig iron production (tons)	▲65,954	49,972	487,982	554,845	—12.0
Steel ingots and castings prod. (tons) (Aug.)	122,019	82,871	813,309	837,449	—2.8
Automobiles (Number)—					
Passenger Cars:					
Domestic sales* (Aug.)	3,646	4,591	63,874	71,603	—10.7
Factory output (Sept.)	3,494	4,290	79,642	88,728	—10.2
Trucks and Buses:					
Domestic sales* (Aug.)	2,494	2,613	18,039	20,250	—10.9
Factory output (Sept.)	427	1,799	30,644	34,978	—12.4
Exports (Sept.)	1,927	3,460	47,708	47,103	+1.2
Financing (Sept.):					
Used	$ ▲2,309,013	2,660,351	27,307,577	29,344,708	—6.9
New	$ ▲1,791,655	2,228,910	21,914,597	27,676,002	—20.8
Construction—					
Contracts awarded (Sept.)	$ 19,379,100	19,534,900	150,781,900	143,461,700	+5.1
Cement, bbls (June)	727,842	750,691	1,995,618	2,172,218	—8.1
Agriculture—					
Flour prod., bbls. (Aug.)	1,382,158	1,103,037	9,310,011	7,542,888	+23.4
Flour exp., bbls. (Sept.)	416,553	319,739	3,422,504	2,540,325	+34.7
Wheat exp., bush. (Sept.)	15,641,142	12,614,858	91,008,092	51,912,891	+75.3
Cattle sales (Sept.)	74,378	73,396	552,846	544,377	+1.5
Hog sales (Sept.)	62,225	48,919	476,324	505,631	—5.8
Sea Fisheries: (September)‡					
Catch, cwts.	▲903,900	1,492,500	7,459,020	7,121,710	+4.7
Landed value	$ ▲1,887,500	2,535,300	13,779,480	14,631,510	—5.8
Newsprint (tons)—					
Production (Sept.)	253,230	231,940	2,058,899	1,914,660	+7.5
Exports (Sept.)	▲228,162	195,586	1,878,939	1,719,318	+9.2
Mining and Oils—					
Coal prod., tons (Aug.)	1,238,171	1,012,901	9,110,947	8,770,014	+3.8
Coal imports, tons (Aug.)	1,628,296	1,463,919	7,085,215	7,921,719	—10.5
Gold prod., fine oz. (July)	440,065	419,685	2,932,510	2,639,755	+11.0
Nickel prod., lb. (July)	19,648,013	17,429,616	129,962,767	126,584,357	+2.7
Copper prod., lb. (July)	50,203,445	48,271,652	346,672,044	332,173,260	+4.3
Crude oil prod., bbls. (July)	899,169	701,813	4,270,407	3,623,291	+17.7
Crude oil imp., bbls. (Aug.)	4,726,300	3,776,880	22,901,957	21,294,908	+7.5
Electric Power Output (Aug.)—					
Total monthly m.k.w.†	2,291,425	2,075,901	18,239,617	16,782,052	+8.0
Foreign Trade—					
Imports (August)	$ 62,708,079	57,026,268	441,767,448	449,541,032	—1.7
Exports (August)	$111,032,492	86,537,952	670,023,411	580,937,398	+15.3
Other Industrial Factors—					
Dressed lumber exp.:					
M. bd. ft. (Sept.)	▲216,480	139,448	1,579,885	1,208,655	+30.7
Shoes, prod., pr. (Aug.)	2,453,069	2,178,202	15,536,833	14,751,827	+5.3
Cotton imports, lb. (July)	9,419,000	7,588,000	62,983,000	71,694,000	—12.1
Raw rubber imp., lb. (Aug.)	4,553,281	4,104,744	42,266,678	35,465,371	+19.2
Cigarette cons. (Sept.) No.†	▲584,758	624,562	5,274,646	5,163,922	+2.1
Sugar manufactured, lb §	71,827,680	96,270,679	561,198,546	567,116,974	—1.0
Finance—					
Bank debits (Sept.)†	$ ▲2,831,651	2,654,813	22,731,224	22,077,381	+2.9
Bond sales (Sept.)†	$ 50,646	54,997	1,031,397	832,642	+23.8
Life insurance (Sept.)	$▲37,117,000	27,928,000	290,462,000	280,841,000	+3.4

*D.B.S. All Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For four weeks to Sept. 30, 1939 •Deficit.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. *Preliminary.

Province of Nova Scotia

3½% Sinking Fund Debentures
(Non-Callable)

Due November 1, 1951

Price: 99 and accrued interest,
to yield about 3.60%

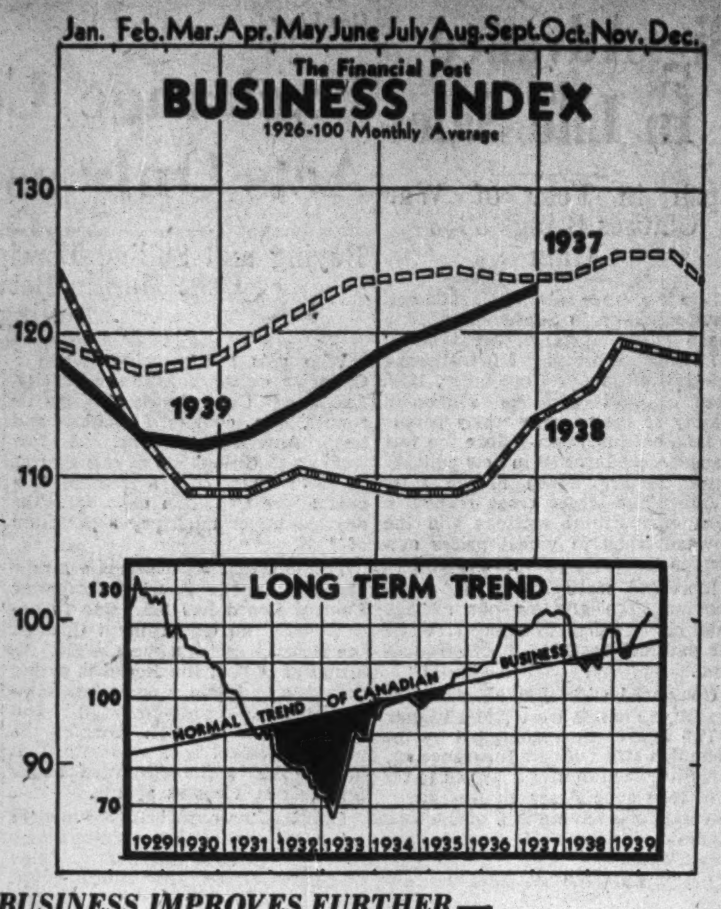
Descriptive circular on request.

Royal Securities Corporation
Limited

244 St. James Street
Montreal

330 Bay Street
Toronto 2

Offices throughout Canada.



BUSINESS IMPROVES FURTHER—

Canadian business showed substantial improvement in September, the first month of the war. The Financial Post Business Index, which had advanced for five consecutive months previously, rose 2.4 points further to 123.4, which was 9.6% above September last year. The standing was the best since December, 1937. Indications of economic improvement were had in heavy export and domestic demand for many commodities and greater activity in the iron and steel and newsprint industries.

Major Economic Factors

		September 1939	September 1938	Change 1938 %	August, 1939
Financial Post Business index*		123.4	112.6	+9.6	121.0
Capitalized bond yields*		130.7	153.1	—14.6	159.0
Bank deposits*		128.2	123.7	+3.6	127.5
Copper exports	cwt.	468,319	495,083	—5.4	456,965
Nickel exports	cwt.	263,298	190,850	+38.0	149,921
Zinc exports	cwt.	350,696	233,853	+50.0	476,545
Asbestos exports	tons	19,086	12,958	+47.3	14,125
Sugar manufactured	lb.	71,827,680	96,270,679	—25.4	101,582,123
Cheese, factory production	lb.	17,927,643	18,421,473	—2.7	20,437,938
Butter, creamery production	lb.	29,596,859	30,271,771	—2.2	33,928,273
Newsprint production	tons	253,230	231,940	+9.2	236,975
Planks and boards exported	M. ft.	216,480	139,448	+55.2	248,455
Shingles exported	squares	294,939	264,471	+11.5	310,576
Cigarette releases	No.	584,757,839	624,562,180	—6.4	719,561,940
Cigar releases	No.	11,742,065	10,821,977	+8.5	11,336,676
Pig iron production	tons	65,954	49,972	+32.0	65,920
Steel ingot production	tons	124,000	74,000	+67.6	122,000
Automobile production	No.	3,921	6,089	—35.6	3,475
Carloadings	No.	294,656	249,401	+18.1	228,978

*1926 = 100.

Urban Building Drops Sharply

First Month of War Cuts Permit Totals 22%

Sharp decline in urban building in Canada during the first month of the war is shown in Dominion Bureau of Statistics report on building permits issued in September in 58 Canadian cities.

Total value of building authorized in these cities during the month was $4,104,401, reflecting a drop of 33% under August and 22.4% below the figure for Sept., 1938. The decline in the latter comparison was contributed chiefly from Quebec province, where the permit total fell nearly 55%. In Ontario, however, there was a gain of 36.5%

The decrease shown in the year-ago comparison is much greater than that reflected by the September figure of MacLean Building Reports on construction contracts awarded throughout the Dominion (urban and rural). The contract total was only 1% under Sept., 1938. However, it included highway and other non-urban engineering work, which was substantially increased by large highway contracts in Quebec.

B. C. Lumber Chokes Yards

Lack of Shipping Causes Congestion — Prices Shaved

From Our Own Correspondent

VANCOUVER. — Although British Columbia sawmills have been assured of orders sufficient to keep them operating full time for most of the winter for the United Kingdom market alone, it is clear that they will not make a "killing" on war business.

Prices will be about 25 cents per thousand feet less than the figure prevailing before war broke out, according to an estimate made by T. A. Humbird, president of Seaboard Sales, one of the biggest lumber exporters in the province.

"The British Columbia industry has no intention of asking and the British Government has no intention of paying higher prices on war business," said Mr. Humbird. "Our chief consolation will not lie in the prospect of profit, but in the assurance that we will be able to maintain production. A few weeks ago we seemed threatened with collapse of the industry through shortage of ships."

"What do you think of this, Bill?"

"When I retire I'll take out nearly four dollars* each month for every dollar I put in now . . . Helen and I can really enjoy life while we're still young, because now I don't have to save as much as I had figured . . . I've no investment worries . . . take no risk . . . and what's more, if I don't live to start on this income, Helen gets one instead. She and the youngsters will be well looked after no matter what happens."

Today's Canada Life retirement contracts combine life insurance with guaranteed income . . . the kind of protection best suited to the needs of the average man.

Have you looked into these modern, two-purpose plans yet? It will pay you to investigate. Absolutely no obligation of any kind is involved.

*Based on age 25.

The Canada Life Assurance Company,
330 University Ave., Toronto, Ont.

Without obligation on my part please tell me how I can get a guaranteed Canada Life Income $50 ☐ $100 ☐ $200 ☐ $300 ☐ a month at age 55 ☐ 60 ☐ 65 ☐

Name ....

Address ....

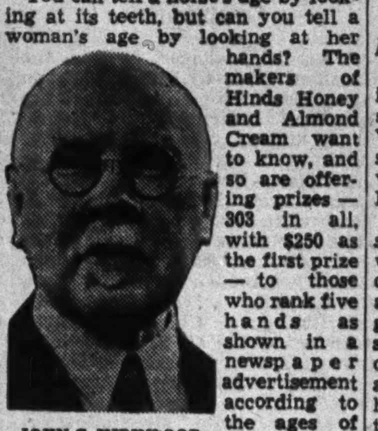
Born.............Day of.......................... 1.........

Canada's Oldest Life Assurance Company

Keeping Posted

Veteran Business Commentator Shares His Wide Reading With Businessmen

By J. C. KIRKWOOD


JOHN C. KIRKWOOD

You can tell a horse's age by looking at its teeth, but can you tell a woman's age by looking at her hands? The makers of Hinds Honey and Almond Cream want to know, and so are offering prizes — 303 in all, with $250 as the first prize — to those who rank five hands as shown in a newspaper advertisement according to the ages of the women whose hands have been photographed. When I read of this in Drug Merchandising, I wondered if its effect, all over this continent, will cause us to scan women's hands more closely? And will women who may see you looking at their ungloved hands resent such scrutiny? Is the hand a better age-indicator than the face? Perhaps, when the results of the contest are published, we may get the answer to these questions.

• • •

Big Small-town Store

In a Missouri town of 1,900 population is a man named Mark Hawkins. He has a grocery business with an annual sales volume of $100,000, and he does a strictly cash business. This store pulls customers from far away places, just because it has advertised itself in unusual ways. The story of Mark Hawkins is told in the Oct. 1 issue of Canadian Grocer. He advertises his store variously. Thus, he serves free coffee in winter; he has a tall-corn contest; he has a free peanut day for youngsters.

Mr. Hawkins is a flexible sort of individual; if a customer says that black is white Mr. Hawkins agrees. Also, he has some good practices. Thus, he aims to have everything customers want at any time they want it; his employees are persons of ability and are paid correspondingly; and when a crowd is in town, Mr. Hawkins believes that it should be got into his store and sold merchandise.

• • •

Horse in Store

Imagine a slab-fronted drugstore in these modern days! Yet you will see such a store if you will go to Vernon, B.C., and look up the drugstore of Nolan Brothers. Their store was started in 1898, the year of the Klondike "rush."

The Nolan brothers capitalize their store's birthday. Each year, for two weeks, they have a "Frontier Days" celebration. The store is manned by a staff dressed in full western regalia. One need not be surprised, says Drug Merchandising in telling of this store's enterprise, if one meets a fully equipped western range horse in the store. Above the entrance is a white sign with "Gold Nuggets Limited" lettered on it in rough charcoal; and blackboards are placed on both sides of the entrance carrying chalk messages of new lines. During this celebration fortnight Nolan Brothers' store becomes British Columbia's most unusual drugstore.

• • •

Turnover Tops

Poor's Manual, a U. S. A. publication, lists Safeway chain grocery organization as standing at the top in the United States in regard to highest average annual sales per unit—$115,332 for 1938. Canadian Grocer is happy in being able to say that this Safeway achievement is greatly exceeded by Loblaw's in Canada, whose average sales per unit last year were over $204,000. In U.S.A. the Atlantic & Pacific achievement was $72,656; Kroger, $58,000.

• • •

4,000 Minus 160

We have been hearing for generations about Canada's 4,000 miles of unfortified boundary, but Canada has another 4,000 miles paralleling the Canadian-U.S. boundary which, unlike boundary lines, is visible and tangible. This stretching distance is the new Trans-Canada Highway which begins at Halifax and ends at Vancouver with only one gap of 160 miles long—a bit of wilderness whose features are rock and jackpine. Just when this difficult bit of terrain will be traversed by the highway, says Maclean's Magazine, is a question mark "now that Hitler has finally pulled the trigger in Europe."

The story of these 4,000 miles, minus 160 miles, is most satisfactorily told in the Maclean's article, which is accompanied by a very fine map in color. All good Canadians, and in particular those with motor cars, should read the article. The time will come——and it may not be remote—when this transcontinental highway will lead to a thousand rapturous articles for publication in Canadian, American and British newspapers and magazines.

A CHECK-UP OF YOUR INVESTMENTS

A requisite of a sound investment portfolio is a periodic analysis by a competent investment consultant. This service may be obtained without obligation at any of our offices.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

New Issue

PROVINCE OF ONTARIO
3¼% Debentures

To be dated Nov. 1, 1939. To mature Nov. 1, 1947

Price: 99.50 and interest, to yield 3.32%

These debentures are issued in denomination of $1,000 only, and are callable at 100 and interest on thirty days' notice on any interest date on or after November 1, 1945.

Telephone or telegraph your orders at our expense.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161

Ottawa
Montreal

London
Hamilton

Correspondents in New York and London, Eng.

New Issue

$8,614,000

Province of Ontario

3¼% Debentures

To be dated November 1st, 1939 To mature November 1st, 1947

Principal and half-yearly interest (May 1st and November 1st) payable in lawful money of Canada in Toronto or Montreal at the holder's option. Redeemable at the option of the Province, in whole but not in part, at 100 and accrued interest on thirty days' notice on any interest date on or after November 1st, 1945. Any Debenture not presented for payment within one year from its maturity, or if redeemed, from the date fixed for its redemption, will be payable only at the office of the Provincial Treasurer, Toronto. Denomination: $1,000. Debentures may be registered as to principal.

Legal Opinion: Messrs. Long & Daly.

In the opinion of Counsel, these Debentures will be direct obligations of the Province of Ontario, and will be payable, principal and interest, out of the Consolidated Revenue Fund of the Province. The proceeds of this issue will be used for refunding purposes.

The Honourable Mitchell F. Hepburn, Prime Minister and Provincial Treasurer, has stated in connection with this financing: "As a result of this issue, the Province is in the strong position of having provided for all maturing treasury bills and debentures that fall due between October 18th, 1939 and May 31st, 1940."

Information regarding the financial position of the Province will be found in the official circular which is available upon request.

We offer these Debentures, if, as and when issued and accepted by us and subject to the approval of Counsel.

It is expected that Debentures in interim form will be ready for delivery on or about November 1st, 1939.

Price: 99.50 and interest, yielding 3.32%

Wood, Gundy & Company, Limited
McLeod, Young, Weir & Co., Limited
The Dominion Securities Corporation, Limited
Bell, Gouinlock & Co., Limited
A. E. Ames & Co., Limited
Mills, Spence & Co., Limited
Royal Securities Corporation, Limited
McTaggart, Hannaford, Birks & Gordon, Limited
Hanson Bros. Incorporated
Midland Securities Corp., Limited
Cochran, Murray & Co., Limited
Harrison & Company, Limited
Fry & Company
Burns Bros. & Denton, Limited
R. A. Daly Company, Limited
Gairdner & Company, Limited
Bartlett, Cayley & Co., Limited
Harris, Ramsay & Co., Limited
Brawley, Cathers & Co.
Dyment, Anderson & Co.
J. L. Graham & Co., Limited
Griffis, Norsworthy, Limited
C. H. Burgess & Co., Limited
W. H. Watson & Co.
Flemming & Company

The information contained in this advertisement is based upon statements and statistics on which we have relied. We do not guarantee but believe the statements herein to be true.

THE
WAWANESA
Mutual Insurance Co.
Assets $2,234,188.78
Surplus 1,057,853.38
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

THE
LONDON &
LANCASHIRE
INSURANCE Co.
LTD
ABSOLUTE SECURITY
W. R. HOUGHTON
Manager

FIDELITY
Insurance Company
of Canada
TORONTO

Envelopes
for every
purpose
Barber-Ellis
of Canada, Limited
TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

TAILORING ART ne plus ultra
Take any endeavor worthy of the master craftsman — there you find inherent qualities that transcend all imitation. Likewise, Levy Bros. trade mark symbolizes the ultimate in tailoring art. Recognized and accepted by gentlemen of impeccable taste, who by tradition, make no compromise with any other standard of quality.
FALL
MATERIALS
An extensive range of exclusive suitings and overcoatings for Fall awaits your inspection. You will like the variety and character of these distinctive fabrics.
Levy Bros.
69 WEST KING STREET
TORONTO

Insure With
The
EXCELSIOR LIFE
INSURANCE
COMPANY
A STRONG CANADIAN COMPANY
Head Office
TORONTO
HEAD OFFICE: TORONTO, ONT.

BEFORE YOU INSURE — CONSULT
CONFEDERATION LIFE
ASSOCIATION
ONE OF THE WORLD'S GREAT LIFE INSURANCE INSTITUTIONS
RENOWNED FOR STRENGTH, SERVICE AND SECURITY SINCE 1871

Lumbermens Mutual Casualty Company
Announces the establishment of its
BOILER AND MACHINERY
DEPARTMENT OF CANADA
with E. F. Aldridge as Manager
Automobile and General Casualty Insurance
SERVICE SAVING SECURITY
AGENCY INQUIRIES INVITED
LUMBERMENS MUTUAL
Casualty Company
VANCE C SMITH, Chief Agent
CONCOURSE BUILDING
TORONTO
Fire and Allied

THE
Dominion of Canada
GENERAL
Insurance Company
Established 1887
Fire Casualty Life

Insurance

Qualified Fire Agent Can Save Client Money

Knowledge of Business Will Enable Him to Advise as to Amount and Kind of Coverage and Proper Rate

In recent years much attention has been paid to the training of fire insurance agents so that they can give proper service to the public and to the company as well as make a success of their business for themselves. Government officials have been taking considerable interest in the matter and frequently applications for agents licenses are refused because the applicant does not fulfill the requirements. The matter is of much importance to the public as the agent that knows his business can give advice that will save his client much money and inconvenience.

In an address before the Ontario Fire and Casualty Insurance Agents Association last week W. J. Scott, Ontario Fire Marshal, enumerated a number of points for the agent's attention.

Duty to Public

Under the fire agent's duty to the public he noted:

"To be in a position to advise his clients intelligently he must be thoroughly familiar with the fundamental principles of insurance and also keep abreast of the changing trends of insurance business, including the new coverages available.

"The agent owes a duty to his public to advise clients as to the proper amount of insurance, an amount which should be adequate in relation to the value but still not overinsurance. When there is overinsurance, frequently there are designed fires where the Fire Marshal's Office is called in. If in our investigation we find that the agent has knowingly overinsured the property, or even done so with gross carelessness, we immediately report him to the Superintendent of Insurance who has power to wield the punishment of license cancellation.

"Agents should frequently inspect large risks so that the insurance may be kept up to date with changing conditions. For instance, if the client has improved his building, he will be entitled to a lower rate, or if values have been added, he will be entitled to more coverage. The client is entitled to look to his agent to protect him.

"The agent should be fully familiar with the various companies for which he acts so that he can tell a policyholder what stands behind his contract, possibly even to the extent of advising as to a company's reputation as to the fair and prompt adjustment of losses.

"He must thoroughly understand the various contracts and be able to explain to the public not only the cover but also the limitations and exclusions of the various contracts. As an instance, the agent should know his client so intimately that when he is thinking of installing an oil furnace, the agent will advise him that he needs a fuel oil domestic burner permit and that he can get a fuel oil smoke damage endorsement.

"An agent needs to understand fully the advantages or disadvantages and the methods of operation of the Board, the non-Board, the mutual and the reciprocal insurers. He needs to understand these classes not only for competition purposes but also for the better education of the public.

"The agent should be in a position to speed up the settlement of minor losses, not only to prevent further damage but also to cultivate the goodwill of the insured. He should be fully competent to advise clients the proper procedure in the case of loss. However, here may I extend the warning that this speeding up of settlement should never be to the extent that the agent takes the store clerk's attitude of 'the customer is always right'."

Duty to Company

Under duties to the company Mr. Scott noted:

"The agent's first duty is to acquaint the company with all known physical hazards of the risk to be insured, being particularly careful on valuations where the company must rely largely on the agent's good judgment.

"The agent must also underwrite the moral hazard of the risk and fully inform his company as to this. The company cannot judge the moral hazard from the material description. Failure of the agent to deal adequately with the moral hazard is one of the major causes of arson for profit.

"An agent has a duty to his company to keep his own books properly and to operate his business so that fixed expenses come well within earnings, earnings being reckoned on not just business sold but on the business sold and collected.

"If the agent fully lives up to his duties to the public and to the insurance company," Mr. Scott added, "he need worry little about his duties to himself."

Companies Urged To Study Powers

With interest in insurance against the various hazards of war conditions becoming more active, G. D. Finlayson, Dominion superintendent of insurance, has issued a memorandum, impressing on insurance companies, the need of being absolutely certain that they are authorized to issue policies giving protection against the various war risks. Otherwise in case of a loss being sustained, endless litigation and loss might be caused to both policyholder and the insurance company. Accordingly, he notes that certain definitions have recently been amended by an order-in-council and emphasizes the need of company executives examining their charters to make sure they do not issue contracts beyond their statutory powers.

The two definitions which have been amended by order-in-council are those of Explosion and Civil Commotion insurance. The two definitions are now very similar.

Civil commotion, for instance, is now defined as meaning insurance against damage to property of any kind caused by bombardment, invasion, insurrection, riot, civil war, or commotion or military or usurped power, and includes damage by vandalism or malicious mischief.

Explosion insurance is defined in exactly the same terms except that it includes insurance against damage from the explosion of gas.

Door is Open To Non-Tariffs

Invitation at Ontario Fire Agents Annual Convention

A cordial welcome to join the Canadian Underwriters Association was given to the non-tariff stock fire insurance companies by Robert Lynch Stalling, vice-president of the C. U. A. at the annual meeting of the Ontario Fire and Casualty Insurance Agents in Toronto last week. The invitation was given when Mr. Stalling, manager for Canada of the Sun Insurance Office, and chairman of the fire branch of the C. U. A. was speaking at annual luncheon, substituting for Col. S. W. Band, president of the C. U. A. who was prevented from attending by illness. Speaking on the subject "Aims and Objects of the Canadian Underwriters Association" Mr. Stalling described the Association as the greatest stabilizing influence in the business today. Its work, he stated, included the gathering of information, calculation of rates and construction of maps and plans of the various municipalities in Canada. Government regulation and rating, he stated, were not nearly so satisfactory as regulation and rating by the companies themselves.

Earlier in the sessions of the convention, there had been some discussion as to the advisability of the agents' association asking the provincial government and the C. U. A. to co-operate with a view to establishing an information and rating bureau, which would serve both tariff and non-tariff companies. It is understood, however, that no official action was taken as regards the proposal.

Other speakers at the convention included W. J. Scott, Ontario Fire Marshal, R. L. Jones, research officer of the Canadian Underwriters Association and J. P. Bickell, Registrar of Motor Vehicles for Ontario. It was estimated that over 600 members were in attendance.

New officers were elected for the ensuing year as follows:

President, S. O Mason, Welland, Ont., re-elected.

Vice-Presidents from the five districts into which the province is divided by the association: A. W. Dunlop, Kingston; W. H. Shaver, Midland; Ford Cosgriffe, Hamilton; J. M. Moore, London, Ont.; A. R. M. Ritari, Sudbury.

Secretary-treasurer, C. M. Priestman.

It was decided that the 1940 convention would be held in Toronto.

Insurance Notes

The 33rd annual convention of the Association of Life Insurance Presidents will take place in New York, Dec 14 and 15. Plans are being made for an attendance of 500 life insurance executives from Canada and the United States. State and provincial supervisory officials from both countries will be in attendance as usual.

* * *

Inaugural meeting of the Toronto Insurance Institute this week was addressed by Colin E. Sword, president of the Institute and Canadian manager of the Union Insurance Society of Canton. He recalled that 25 years ago almost to the day, the Institute had held its first meeting of the season under the shadow of war. He noted that membership in the Institute was now over 700 and urged the young men in the insurance business to make full use of the course offered to improve their knowledge of the business. Diplomas were awarded to those who had finished the Institute course of examinations. Don Henshaw of A. McKim Ltd. addressed the gathering.

Sell Soldiers Insurance On Pay Deduction Plan

To make it easier for Canadian soldiers to buy life insurance, an arrangement with the Government has been made by some of the companies to have a certain sum deducted from the soldiers pay monthly at Ottawa. In this way, the premium will be spread over the whole year, instead of coming due in one big payment.

Big Advance In Life Sales

Rush in Fear of War Clauses Brings 33% Gain

Life insurance sales in Canada and Newfoundland in September took a sharp curve upwards, the total of $37.1 millions ordinary life insurance being 32.9% above September, 1938. The unusual gain is attributed mainly to the rush by many people to take out insurance before the war clauses were inserted in new policies. Other factors which helped sales included the larger crops reaped in most agricultural sections and the upward trend in wheat prices evident in the early part of September.

Increases were shown in every province, the greatest per centage gain being 63.7% in Alberta, while the smallest was 2.71% in Newfoundland.

Compared with 1938, sales for the first nine months were 3.43% higher.

The figures were compiled by the Canadian Life Officers Insurance Association from figures supplied to the Life Insurance Research Bureau by 18 companies having 84% of the total business in force in Canada and Newfoundland.

Life Insurance Sales
(000's of $)

	September 1939 $	September 1938 $	Change 1939 %
British Columbia	2,797	2,138	+30.8
Alberta	1,969	1,203	+63.7
Saskatchewan	1,036	988	+4.86
Manitoba	2,323	1,771	+31.2
Ontario	16,685	12,243	+36.3
Quebec	9,137	7,336	+24.6
New Brunswick	1,019	675	+50.9
Nova Scotia	1,685	1,141	+47.7
Prince Edward Is.	163	138	+18.1
Newfoundland	303	295	+2.71
	37,117	27,928	+32.9

Sales by Months, 1936-1939
(000's of $)

	1936	1937	1938	1939
Jan.	33,347	27,789	31,287	30,434
Feb.	28,834	30,619	31,796	30,879
Mar.	30,552	32,322	33,461	33,578
Apr.	28,876	32,562	30,612	28,229
May	28,411	31,916	31,016	33,657
June	31,247	37,908	35,660	35,766
July	31,397	32,040	30,635	32,244
Aug.	23,547	28,411	28,446	28,558
Sept.	28,090	27,730	27,928	37,117
Oct.	29,402	33,416	32,372	.....
Nov.	36,710	38,020	37,167	.....
Dec.	34,146	37,125	36,475	.....

Ontario Life Underwriters Meet in Annual Convention

Over 1,000 life insurance salesmen from all parts of Ontario gathered in Toronto last week for their annual convention.

A number of addresses were delivered from men who had achieved distinction in life insurance work in Canada and the United States. Canadians who addressed the gathering were H. A. H. Baker of the Great West Life, and Gordon C. Cumming of the Monarch Life.

Roger B. Hull, managing director of the National Association of Life Underwriters of the United States, who spoke on Consumer Confidence, emphasized that the life underwriters were the shock troops and first line of defense of the life insurance business. Capital was only saved earnings he stated and life insurance was the custodian of these earnings. The best selling point in life insurance was to sell it on the basis of business enterprise for the individual.

Weekly Statement Bank of Canada

A further rise of $6 millions in holdings of short term Government issues is reported by the Bank of Canada for the week ending Oct. 18. Holdings of long term bonds declined $3 millions, leaving a net increase in investments of slightly over $3 millions. The gradual increase in investments of the Bank of Canada probably reflects the greater public demand for money in the country especially as it is accompanied by an expansion of $3 millions in note circulation.

Balance Sheet

	Oct. 18 1939 $	Oct. 11 1939 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	230,330,724	227,246,801
Rest fund	1,903,515	1,903,515
Depos.: Dominion	47,511,851	47,401,102
Banks	213,632,442	215,022,136
Other	17,433,250	16,506,703
Total deposits	278,577,543	278,929,941
All other liabs.	8,777,016	5,663,880
Total liabs.	524,588,798	518,744,137
Assets		
Reserve: Gold	225,674,987	225,674,969
Res. in sterling and U. S.	51,535,903	51,379,643
Other curr.	128	860
Total reserve	277,211,018	277,055,472
Subsidiary coin	197,059	188,929
Advances	1,000,000	1,000,000
Investments:		
Dom. govt. short	179,624,888	173,537,140
Other Dom. govt.	57,523,072	60,264,636
Total invest.	237,147,960	233,801,776
Premises	1,663,459	1,662,956
All other assets	7,369,301	5,035,004
	524,588,798	518,744,137
Reserve ratio	54.47%	54.73%

Canadian Life Companies Win Advertising Awards

Eleven Canadian life assurance companies in competition with companies from all over the continent carried off 29 of the 107 awards at the Life Advertisers annual convention in Detroit last week. The awards were given for advertising produced during the past year. The Canadian companies constituted 20% of the total exhibitors and entered 24% of the exhibits. They won 28 awards, 26% of the total and the sweepstakes award for group 2.

This last was the highest honor coming to Canada. Companies in group 2 are those with from $150 millions to $400 millions of insurance in force. It was carried off by E. Morton, advertising manager of the North American Life Assurance Co.

Awards coming to Canada in addition to the sweepstakes were:

Group 1, companies with under $150 millions life insurance in force, magazine advertising, Excelsior Life; newspaper advertising, National Life; sales promotion, Excelsior Life; printed material, National Life; publications to policyholders, National Life; Recruiting material Excelsior Life.

Group 2, companies with $150 millions to $400 millions of insurance in force; Newspaper advertising, Confederation Life, North American Life, Manufacturers; sales promotion, Dominion, North American; direct mail, Dominion; printed material, Imperial, London Life; publications to policyholders, Imperial Life, London Life, recruiting material North American; conservation material, Dominion, North American; annual statements, Imperial, North American.

Group 3, companies with over $400 millions insurance in force:

Newspaper advertising, Great West Life, Sun Life; printed material, Great West Life; publications to agents, Great West Life; recruiting material, Sun Life; conservation material, Sun Life, Great West Life.

Ed. Morton, North American Life, Toronto, and A. L. Cawthorn-Page, Metropolitan Life, Ottawa, were elected Canadian members of the Life Advertisers Association executive.

HELPFUL TO YOUR BUSINESS
Progressive business men are welcomed by this Bank. Their knowledge of the business plus this Bank's 83 years of experience in helping many small businesses achieve large success is a combination which will bring successful results.
THE BANK OF TORONTO
Incorporated 1855
639

Banking

Exchange Control Body Acts Only as Middleman

Buying and Selling Foreign Exchange It Gets One Cent Margin Between Buying and Selling Price

Who gets the premium when a Canadian citizen goes to the Foreign Exchange Control Board or its agents, the chartered banks, and buys American dollars? A few weeks ago United States money was at par with or only a fraction of a cent above Canadian currency. Today the buyer must pay a premium of 11%.

The fact that all dealings are now handled by the Foreign Exchange Control Board has led some to believe that the Government through the Board is getting the margin. As a matter of fact the Board is acting only as a middleman or broker, buying United States dollars at $1.10 and selling them at $1.11. Out of the cent difference, it is understood, it pays a fee to the chartered banks for their services as agents.

One banker explained the matter this way: United States dollars may be regarded as a commodity. They originate across the international boundary and may come to Canada in a variety of ways:

They may be exchanged for Canadian goods exported to the United States.

They may be paid to Canadian investors in United States stocks or bonds as interest or dividends.

They may be bought for Canadian dollars.

Under existing conditions on the international markets the value of the Canadian dollar recently fell to a discount of around 11% under the dollar of the United States.

This being the case, it is evident that any person holding United States dollars and wishing to exchange them into Canadian dollars receives around $1.10 Canadian for every $1 American. Similarly, if he wants to change Canadian dollars into United States currency, he will receive $1 American for every $1.10 to $1.11 Canadian.

If he is an exporter being paid in U.S. dollars or if he has bond interest payable in U. S. funds, he is lucky when he goes to change it into Canadian currency. On the other hand if he has to buy something in the United States or pay a debt there he must first obtain United States money to do so on the terms noted.

When he buys this from the Foreign Exchange Control Board, the board has to buy it from somebody else before it can sell to him.

This means that the premium less the 1% taken by the Foreign Exchange Control Board goes to the individual citizen or company, just as it is the individual citizen or company who pays it.

Weekly Bank Clearings

	Oct. 19 1939 $	Change Year Ago %	Oct. 12 1938 $
Halifax	2,917,273	+14.7	2,180,220
Saint John	2,053,395	+10.8	1,558,643
Moncton	820,067	— 2.5	705,458
Sherbrooke	800,070	+ 4.7	686,167
Quebec	5,884,776	+ 3.2	4,553,678
Montreal	101,294,154	—10.3	76,910,895
Ottawa	22,858,617	—19.3	8,738,082
Kingston	735,814	+ 9.2	......
Peterborough	746,124	+ 8.3	623,619
Toronto	112,550,424	— 1.5	79,794,645
Hamilton	6,325,297	+ 8.5	4,792,068
Kitchener	1,367,985	+ 8.8	959,316
Brantford	948,816	— 7.0	861,466
London	2,979,916	+ 8.6	2,238,837
Chatham	682,613	+28.3	526,223
Windsor	2,770,874	+ 0.8	2,204,683
Sarnia	460,645	— 7.6	416,588
Sudbury	1,035,182	+ 3.0	1,011,410
Fort William	869,264	+ 2.7	598,244
Winnipeg	68,401,450	+19.1	71,915,250
Brandon	498,144	+14.6	438,869
Regina	11,169,405	+63.1	9,440,794
Moose Jaw	1,059,226	+16.1	733,405
Saskatoon	2,335,523	+34.0	1,872,303
Edmonton	5,193,698	— 0.5	4,378,984
Calgary	10,839,278	—17.4	8,673,189
Lethbridge	875,513	+ 4.2	690,739
Medicine Hat	491,485	+ 4.9	411,406
N. W'minster.	689,925	+10.2	609,932
Vancouver	17,592,239	—17.2	14,530,183
Victoria	1,946,189	+ 5.6	1,534,155
Prince Albert	558,813	— 0.2	411,176

Staff Changes

The Royal Bank of Canada announces the following staff changes:

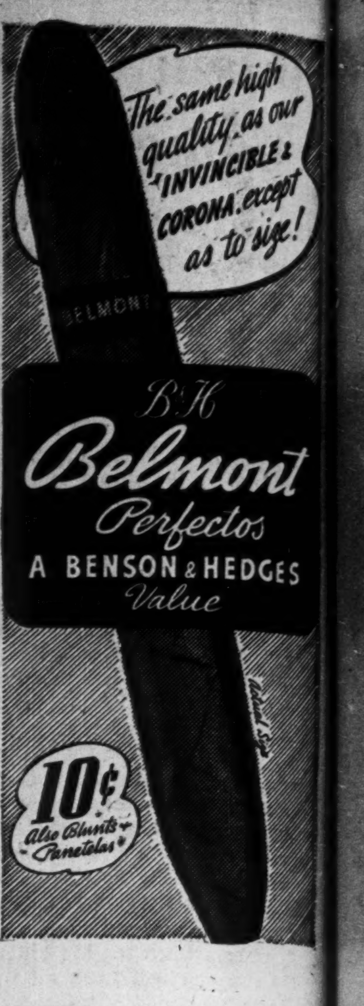
A. E. F. DAUPHINEE, accountant, North Sydney, to be accountant, Truro, N.S.

H. P. WEATHERILL, assistant accountant, Toronto main office, to be accountant, Yonge and Richmond Sts., Toronto.

L. G. MARTEL, assistant accountant, Amherst and St. Catherine Sts., Montreal, to be accountant, Three Rivers, P.Q.

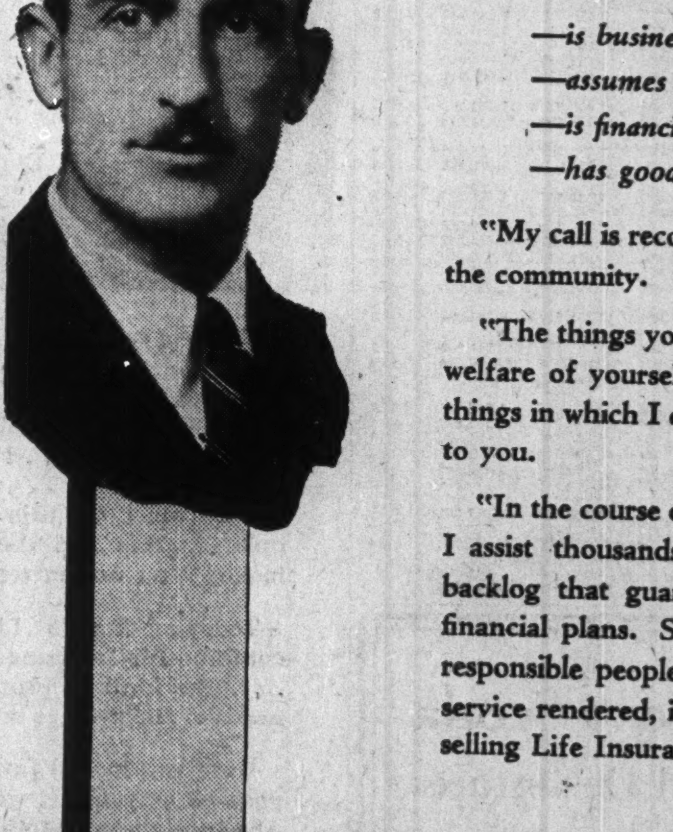
NEW IMPERIAL BRANCH

The Imperial Bank of Canada has opened a branch at Exhibition Camp, Toronto, with D. N. Johnston as acting manager.


The same high quality as our "INVINCIBLE" & "CORONA" except as to size!
B.H.
Belmont
Perfectos
A BENSON & HEDGES
Value
10¢
Also Blunts & Panetelas

Styled by Dack . . .

THESE three new, exclusive, Custom Grade models have been designed for men of discriminating taste. They have the distinction of the latest West End of London styling. Each model is available in black or brown imported custom bark-tanned leather . . . brogue or half brogue.
MAIL ORDERS FILLED
WRITE FOR CATALOGUE
12 Bloor St. W. : 73 King St. W.
TORONTO
Dack's
SHOES FOR MEN
MD-79



"When I Call on You—
it is because you have the reputation of being a person who
—*is business-like*
—*assumes responsibility*
—*is financially solvent*
—*has good health.*
"My call is recognition of your standing in the community.
"The things you want to do for the future welfare of yourself and family are the very things in which I can be of greatest assistance to you.
"In the course of a year, my associates and I assist thousands of people to provide a backlog that guarantees fulfilment of their financial plans. Since our dealings are with responsible people who are grateful for the service rendered, it is no wonder that we like selling Life Insurance."
London Life
ESTABLISHED 1874
Insurance Company
Head Office - London, Canada

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Steel Industry is Ready For War's Demands

Primary Steel Makers Near Capacity With Real War Orders Still to Come

By A. D. ELLWOOD
Investment Editor of The Financial Post

It was the defense of Canada that led to the establishment of the first iron-making industry in this country over two centuries ago. And it was Canada's part in defending the Empire, of which this Dominion is a vital part, that gave the iron and steel industry another impetus in 1914-18.

Now another war promises to raise Canada's modern iron and steel industry to new peaks.

Need of the early French pioneers for iron with which to make their cannonballs and muskets caused a search for iron deposits and indirectly to the establishment of Canada's first furnace for smelting iron.

Bog iron deposits were found on the St. Maurice River about 1660 but not until Aug. 20, 1737, was the first iron smelted in Canada, near Three Rivers, Que. The real forerunner of Canada's metallurgical industry, this pioneer iron furnace continued to operate until 1883.

Canada's iron and steel industry got under way on a better scale around the beginning of the present century. The three present leaders in the primary iron and steel industry, Dominion Steel & Coal Co., Steel Co. of Canada, and Algoma Steel Corp., all started between 1890 and 1901. Although statistics on the production of steel ingots and direct steel castings are available from 1894, it was not until 1902 that output passed the 100,000-ton mark. Pig iron production figures go back to 1887, but here also it was not until the extensive building programme of 1900 that output jumped from 86,228 tons in 1900 to 244,979 tons in 1901.

Million Tons in 1913

Canada's iron industry was on its way and in 1913 passed the one-million-ton mark in pig iron output. Peak year for the last war was in 1918 when 1,067,456 tons of pig iron was made, a figure since exceeded only once, and then by a negligible amount in 1929.

Steel ingots and direct steel castings, however, show a rather different trend, as is shown by the accompanying chart.

War and post-war problems of a steel company are illustrated by the following extracts from the 1918 annual report of Steel Co. of Canada. The president at that time, Robert Hobson, said:

> "After the signing of the Armistice there was a decided slump in values of raw materials and manufactured products, and at the date of writing this report the United States Government has further regulated prices. It is needless to say that the effects of the drop in prices in the United States are immediately reflected in Canada. We were therefore compelled to scrutinize every value carefully and we have placed what we consider a sound and proper value on each item of our inventory."

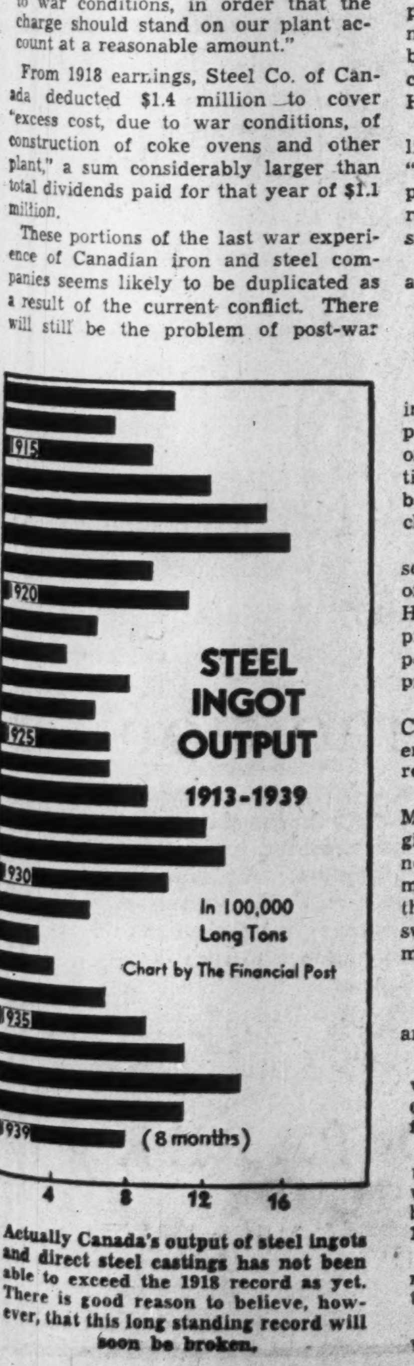
Wartime Expansion

This is an experience which businessmen everywhere are fearful of having to face again at the close of the present war. There is another factor, the matter of handling the costs of war-inspired construction of plant, usually at high costs, that engages attention. On this point Mr. Hobson says:

> "Your directors have considered it wise to follow the generally accepted sound practice of deducting from the profits, on account of construction, a sufficient sum to cover the excess cost on our coke ovens and other plant, due to war conditions, in order that the charge should stand on our plant account at a reasonable amount."

From 1918 earnings, Steel Co. of Canada deducted $1.4 million to cover "excess cost, due to war conditions, of construction of coke ovens and other plant," a sum considerably larger than total dividends paid for that year of $1.1 million.

These portions of the last war experience of Canadian iron and steel companies seems likely to be duplicated as a result of the current conflict. There will still be the problem of post-war readjustments, probable price declines and the question of amortizing high cost plant built to handle war orders. This latter point has been considered by Dominion taxing authorities in a special provision for amortization of plant built specifically to handle government orders.



Actually Canada's output of steel ingots and direct steel castings has not been able to exceed the 1918 record as yet. There is good reason to believe, however, that this long standing record will soon be broken.

Orders Delayed in 1914

Again referring to Steel Co. of Canada, this company's annual report for 1915 contains the following statement:

> "The results of our business during the first four months of the year were not satisfactory, but toward the end of April a heavy demand set in, due to changed business conditions and the requirements for war purposes, and for the balance of the year our plants have been very fully employed at better prices than have been received for a number of years past."

Outbreak of war in 1939 was the signal for a rush of orders for iron and steel, not only in this country but also in the neutral United States. Thus there is little prospect, considering the balance of government buying that has still to make itself felt, that steel companies will experience the initial slump that was the case in 1914-18.

In the matter of prices also, conditions are different. Great Britain has taken steps to peg steel prices for the initial months of this war, but reports are already current that selling prices in that country will be raised substantially on the close of this initial period of control. In Canada there have already been increases in selling prices for some lines of steel products. While it is unlikely that any runaway in steel selling prices will be experienced, it is expected that reasonable recognition of higher costs as a result of war will be noted this time.

1914-18 Earnings High

In spite of various items of extra cost, however, Canadian steel companies were able to make a very satisfactory showing from the standpoint of profits during the last war, as indicated by the following tabulation which shows net profits available for dividends for some leading representatives of the industry during the war years:

Net Profit Available for All Dividends

	Steel Co. $	Canada Foundries $	Dom. Steel $
1914	18,673	2,644	1,294,826
1915	2,210,952	823,308	645,257
1916	3,728,494	372,436	3,435,225
1917	4,141,584	585,874	8,991,166
1918	2,249,759	451,825	8,021,661
1919	2,382,171	169,916	5,890,468

There is no means of forecasting how closely the earnings experience of steel companies in Canada from 1914-18 will be paralleled from 1939 on. There is clear indication that this time there will not be the period of slump that was felt in 1914 and extending into the next year. Already there are reports of capacity operations from such important units as Dominion Steel & Coal Corp., Burlington Steel Co. and Steel Co. of Canada.

New factors to be considered are the higher rate of corporation income taxation and the impact of the excess profits tax. The latter has given rise to much speculation as to how it will affect various companies. If it is possible to generalize on the effect of the present Excess Profits Tax, it seems likely to have the effect of limiting the rise in earnings for strong, well-established companies more than for less well-founded concerns. If a company has had a record of good earnings for a number of years, it follows that its capitalization is likely to be conservative. Thus, the free 5% on its invested capital will be relatively small, while at the same time its four-year average of profits will be fairly high. On the first count the graduated scale of taxation will soon cut in for a heavy share of earnings, while on the latter there is the immediate tax of 50% of any gains above the four-year average.

Excess Capacity Small

What is the position of Canada's steel industry at the beginning of the present war and how does it compare with 1918?

In the first place it has already been mentioned that capacity, or near capacity, operations are prevailing. This has taken place only indirectly as a result of war and far more because of peacetime demands. Orders for war equipment have been given in only small amounts in Canada as yet in comparison with what may be expected before many months. The potential wartime demand has increased immensely in the last 25 years.

Today's armies need tanks, tractors, trucks, automobiles, airplanes, guns and ammunition in quantities unheard of when war started in 1914. In addition, ships will be required. Already a programme of shipbuilding in Canada is planned, with initial order for 30 vessels to cost about $1¼ million each being suggested. All this constitutes a demand for steel over and above ordinary peacetime needs in this country.

Potential steel-making capacity of the industry in Canada is one exception to the general rule that Canadian industry has grown since 1918. Estimates of potential capacity for making steel ingots and direct steel castings in Canada now are around 1.5 million tons annually, whereas in 1918 this country actually produced about 1.7 million tons of steel.

Last year actual steel ingot production in Canada was 1.2 millions tons and in 1937 it was 1.4 million tons. The latter year's output is usually considered as having been very close to normal producing capacity.

Capacity Operations Close

Thus it seems that only a moderately increased demand for steel because of war needs would bring a condition of real capacity production in the primary steel industry in this country. Of course, for the purpose of war efforts it is possible that there would be some diversion of peacetime requirements, but the fact remains that the primary steel industry in this country cannot expand its output by a very great amount without reaching the limit of its present equipment.

The question of plant expansion can hardly be discussed at any length. It is known that Steel Co. of Canada has spent large sums in recent years in adding to various parts of its plant, but it is also said that further increases in finishing capacity would make necessary additions to blast furnace and other primary equipment. Dominion Steel & Coal is finishing construction of two modern open-hearth furnaces. These units were intended to replace two existing smaller furnaces but probably mark the only important addition to primary steel capacity that is currently in sight.

Thus the conclusion is that, while Canada's primary steel industry is likely to have all the orders it can handle in the near future, its capacity for increased output is limited.

Modern practices have for many years meant that only about 50% of steel ingots were made from pig iron. The balance comes from scrap metal. Prices of scrap iron have long been regarded as one of the most significant and most sensitive of the many indicators. In 1935 Canadian steel furnaces used 641,659 tons of scrap iron or steel and only 446,271 tons of pig iron. Not since 1929 has the quantity of pig iron used exceeded the amount of scrap.

Earnings Prospects Good

Outlook for profits for the various primary steel producers in this country are difficult to appraise. The impact of higher taxes, and in particular the new Excess Profits Tax, make any estimates subject to unusual chances for error.

But it is well known that earnings of steel companies accelerate rapidly as capacity operations are reached, such as seems likely before long. Assuming that operating costs, such as wages, cost of materials and equipment and overhead, do not go up too fast, there is little doubt but that substantial earnings will be the lot of all primary steel producers for as long as war demands continue. While government policy indicates that too great increases in earnings is unlikely, there has also been given indications that the companies will be permitted to keep a fair share of their profits.

In the reviews which follow, only companies in which there is a public investment interest and which are primary steel producers are included:

Algoma Steel

The old Algoma Steel Corp. that operated throughout the 1914-18 war has changed its position in a number of important respects. The present company is the result of a reorganization in 1934 that left it with a comparatively small capital.

At Sault Ste. Marie, Ont., Algoma Steel operates a plant having a capacity of 600,000 tons of pig iron and the same amount of steel ingots annually. Other units provide coke-oven capacity, finishing mills of various kinds. This year the company completed a tin plate mill which is in operation with an assured market because of contracts with Continental Can Co. After initial adjustments, this unit is expected to be on a profit-making basis before the close of its first year.

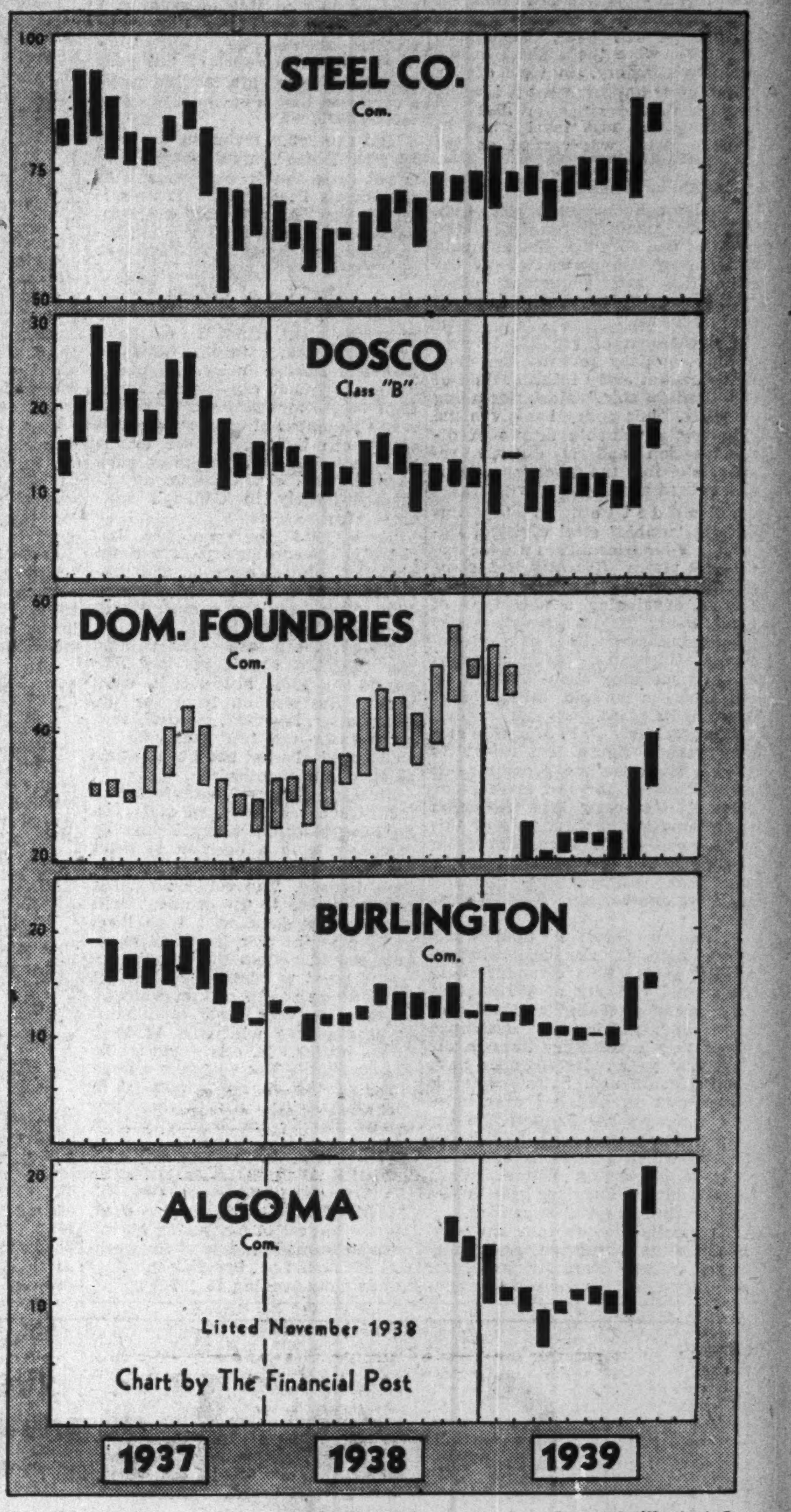
Next important development that should be mentioned in connection with Algoma is the opening of the New Helen Mine. From the first sintering unit now operating, this mine can produce about 300,000 tons of treated ore annually, a portion of which is being sold. Ontario gives a subsidy that has helped to make this development possible.

Algoma Steel earned 29 cents a share on its common in the year which ended April 30, 1939, and $1.30 a share in the preceding year. The current year should see the company reaching new high levels of earnings in view of the accelerated wartime demand and the new units now in operation The company has $3 millions of 3½-5% first mortgage, convertible bonds. No dividends have been paid on the $2.2 millions of 5% preference, but beginning Jan. 1, 1940, payments become cumulative.

Burlington Steel Co.

One of the smaller units in the primary steel industry, Burlington Steel Co., Hamilton, has specialized in producing the reinforcing steel used in construction. Other important lines are bars and shapes used in general manufacturing, such as

(Continued on page 10, col. 1)



Monthly price range of shares of leading primary steel producers is illustrated. Dominion Foundries shares were split two-for-one early this year.

"I Am Not Crazy Enough to Want War"

"You must lie until you have lulled your enemies' fears and got yourself into such a position that you can smash them one by one."

That is a literal translation of Hitler's political gospel as stated in Mein Kampf, not in the expurgated English translation, but in the official German. On the policies and the promises of Mein Kampf, Hitler has not gone back.

"A definite factor in getting a lie believed is the size of the lie," Hitler wrote. "For the broad mass of the people, in the primitive simplicity of its heart more readily falls victim to a big lie than to a small one."

One of his first big lies was spoken at Berlin in February, 1933:

> "The first and best point of the government's programme is that we won't lie and we won't swindle."

With this principle of the big lie dominating all his utterances and all his political tactics, Adolf Hitler has created one of the most fantastic records of big-time lying the world has ever seen, not barring from that record Baron Munchausen or Paul Bunyan.

Readers of The Financial Post have seen scattered references to this record of deceit. But going through the whole Hitler record of speeches, interviews, pronouncements since he came into power, gives an astonishing document in prevarication and duplicity.

It was Jan., 1933, that Hitler became Chancellor. Already he was an exponent of the big lie, formally and officially recognized as a liar.

A few days prior to the abortive Munich beer-hall putsch, Hitler had given his "word of honor" that it would not occur. The court which sat in judgment on the rebels ruled among other things that never more was Hitler's sworn evidence to be accepted in testimony.

* * *

Glance at the record. The quotations are Hitler's own words.

> "As long as I am Chancellor, there will be no war, save possibly in the event of an invasion of our territory from without."—Aug., 1933.
>
> "When the Saar territory has been restored to Germany, only a madman would consider the possibility of war between France and Germany."—Oct., 1933.
>
> "War will settle nothing and only make the condition of the world worse than it is."—Nov., 1933.
>
> "The German people have but one wish—to be happy in their own way and to be left in peace. They do not interfere in other people's business, and others should not interfere in theirs..."
>
> "When has the German people ever broken its word?"—November, 1933.
>
> "I am not crazy enough to want a war."—Nov., 1933.
>
> "After the Saar question has been settled, the German Government is ready to accept, not only the letter but also the spirit of the Locarno pact."—Jan., 1934.
>
> "I would not sacrifice the life of a single German to get any colony in the world."—Aug., 1934.
>
> "Germany, France and Poland will continue to exist. Germany wants nothing that she is not ready to give to others. No fresh European war is capable of putting something better in the place of unsatisfactory conditions which exist today."—March, 1933.

But only a few months later, the claws could be seen through the fur of the Hitler paws.

> "German boundaries have always changed. They will continue to change until all German peoples are united in one."—March, 1934.
>
> "We ask only that our present frontiers be maintained and, believe me, we shall never fight again except in self defense."—Aug., 1934.
>
> "I cannot allow any doubt on the possibility of preservation of peace. The people want it, therefore it must be possible for the Government to preserve it."—May, 1935.

But it was in March, 1935, that General Goering announced the existence of a German air force forbidden by the peace treaty; it was the same month that Hitler decreed conscription for German army service, forbidden by the peace treaty.

* * *

In May, 1935, a leading newspaperman interviewed Hitler. He asked the Fuehrer: "There are no territorial questions about which you would go to war?" Said Hitler:

> "None. We have renounced solemnly all such purposes. With our own blood beyond our boundaries, of course, we have a deep and constant sympathy. But we cannot make war on their account. What profit would there be in regaining a few hundred thousand souls at the cost of the slaughter of millions?
>
> "The present German government has no other wish than to live on peaceable and friendly terms with all neighboring states, not only the large states, but also the surrounding smaller states.
>
> "We have no wish to go about the world sweeping non-Germans within the ambit of our rule and of our principles. Just as we do not wish to be assimilated, so we do not wish to assimilate others. We do not believe in it. We believe it to be biologically, no less than politically bad business."

In March, 1936, Germany denounced the treaty of Locarno and re-occupied the de-militarized Rhineland. The same day Hitler said:

> "At no hour of my actions on behalf of the German people did I forget the duties which I and all of us owe to the preservation of European culturized civilization."

* * *

The world had its first major shock from the Hitler machine. Where would he strike next?

As usual he was soon denying his intentions of doing exactly what he was going to do.

Austria was next.

> "I reject the contention of the Austrian Government that any intervention against the Austrian States has been undertaken or planned by the Reich."—Jan., 1934.
>
> "Germany neither intends nor wishes to interfere in the internal affairs of Austria, to annex Austria, or conclude an anschluss."—May, 1935.
>
> "The Germany of National Socialism will never dishonor itself and betray humanity by violating a pact it voluntarily signs."—May, 1935.
>
> "My proposal for the conclusion of non-aggression pacts on the east and west of Germany was meant as a universal one. There is certainly no exception intended to it. It applies equally to Czecho-Slovakia and Austria."—March, 1936.
>
> "Germany will never break the peace of Europe. After three years I can regard the struggle for German equality as concluded today. We have no territorial demands to make in Europe."—March, 1936.
>
> "The lie goes forth again that Germany tomorrow or the day after will fall upon Austria or Czecho-Slovakia. I ask myself always: who can these elements be who will have no peace, who incite continually, who must so distrust, and want no understanding? Who are they? I know they are not the millions who, if these inciters had their way, would have to take up arms."—May, 1936.

Trying to throw his enemies off the scent of his true design, Hitler interjected a few thunderous speeches demanding return of the German colonies. But, he assured the world:

> "The period of so called surprises is now over. Peace is our dearest treasure."—Jan., 1937.
>
> "We have no territorial claims in Europe."—March, 1937.

On March 11, 1938, the Hitler legions marched into Vienna and anschluss was completed.

With the purr of a gorged (temporarily) pussy-cat, Hitler could say:

> "I would like, before the German people, to express my sincere thanks to the Austrian Chancellor for the great understanding and warm-hearted readiness with which he accepted my invitation and endeavored with me to find a way in accord with the interest of both countries and in the interest of the entire German race. I believe that we have herewith made a contribution to European peace."—March, 1938.

* * *

The "No Spain" Lie

Civil war in Spain. At first, the Loyalists seemed to have the stuff of victory. The non-intervention policy was worked out and accepted, but every schoolchild heard that outside help was pouring in for Franco and the rebels.

On Aug., 1936, Germany formally accepted the terms of non-intervention in Spain and promised

> "to prohibit without delay all direct and indirect export to Spain and its possessions of all kinds of arms, munitions and war materials as well as of mounted and dismounted aircraft and of all kinds of warships."

In Aug., 1936, 28 German airplanes with crews arrived at Cadiz to be followed by many more.

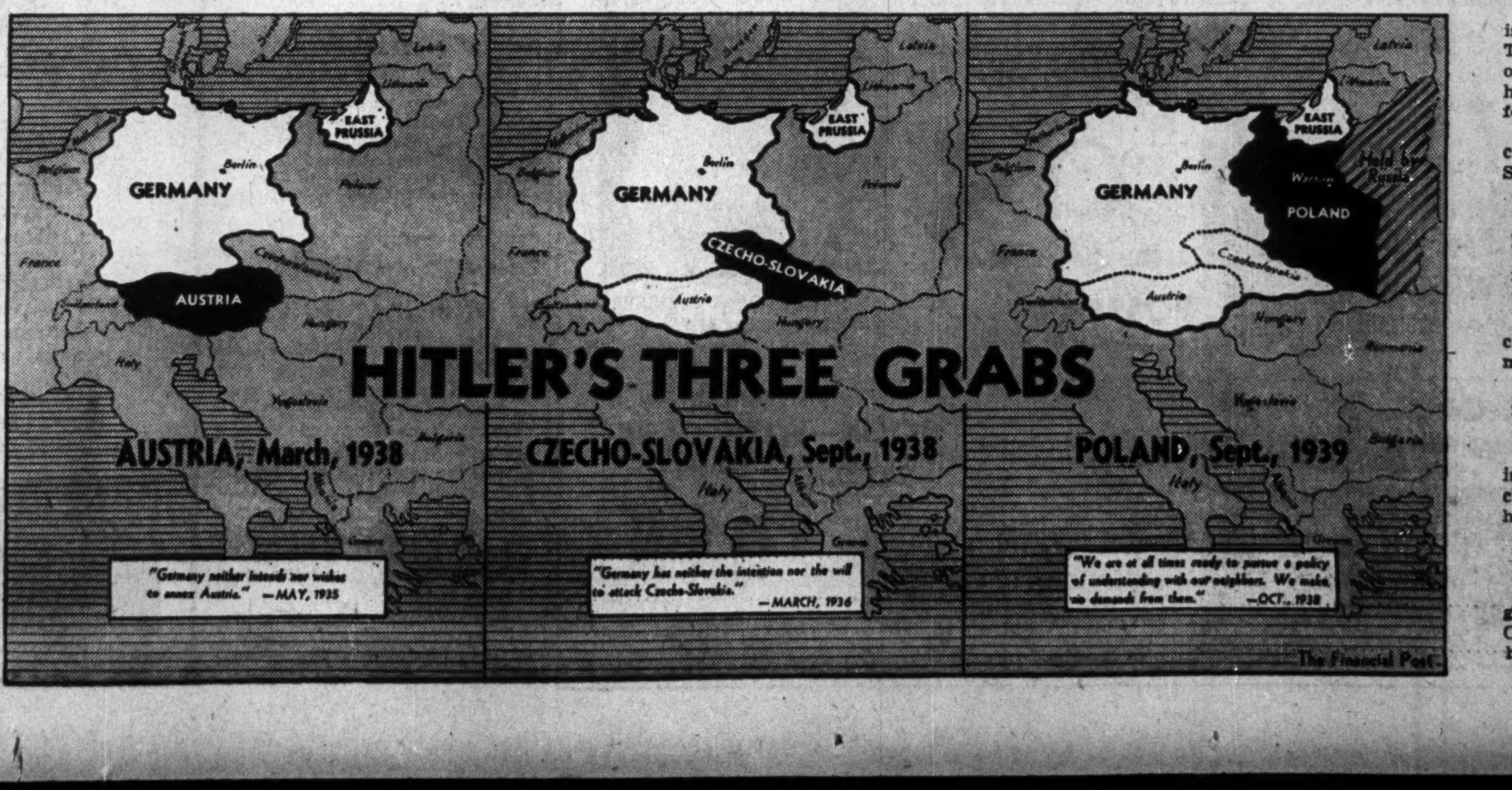
> "We want to be a peace-loving element among the nations. We cannot repeat that often enough."—Jan., 1936.

German representatives at the non-intervention conference in London declared that all allegations that Germany had sent arms to Spain

> "were pure invention and had no basis whatsoever."—Oct., 1936.

Carefully pretending to fulfill its obligations under the non-intervention pact, Germany (Feb., 1937) passed a law prohibiting its citizens from going to Spain

(Continued on page 11, col. 1)


HITLER'S THREE GRABS
AUSTRIA, March, 1938
CZECHO-SLOVAKIA, Sept., 1938
POLAND, Sept., 1939
EAST PRUSSIA
GERMANY
Berlin
AUSTRIA
CZECHO-SLOVAKIA
POLAND
Warsaw
Held by Russia
Austria
Czechoslovakia
France
Hungary
Italy
Yugoslavia
"Germany neither intends nor wishes to annex Austria." —MAY, 1935
"Germany has neither the intention nor the will to attack Czecho-Slovakia." —MARCH, 1936
"We are at all times ready to pursue a policy of understanding with our neighbors. We make no demands from them." —OCT., 1938
The Financial Post

Steel Industry Ready

(Continued from page 9)

farm implements and structural tubing. Specialties include steel fence posts and grinding balls for the mining industry. The company operates an electric furnace with a 48-ton daily capacity.

The present company succeeded a former concern that had been in business from 1910 and was active in the production of war munitions from 1914 to 1918.

Although operations for the first half of 1939 were down somewhat from last year's level, the company has recently announced that its plant is booked to capacity for the balance of the year. September shipments were the highest in the company's history. In view of this last quarter improvement it is quite possible that earnings for 1939 will be above the 1938 level when 65 cents a share was earned on the common stock.

Dominion Foundries & Steel

Dominion Foundries & Steel Ltd., Hamilton, manufactures steel plates, castings and forgings, hot and cold rolled strip, tin plate, railway car specialties and numerous other steel shapes. This company does not make pig iron.

Development of greatest interest in this company recently has been its successful entry into the field of light, or "usable," steel, including tin plate. This policy has given the company a valuable degree of diversification and is directly responsible for the excellent earnings record of the past few years.

In addition to the important "usable" steel division, Dominion Foundries makes a wide line of steel plates. Recently it has co-operated with International Nickel Co. in developing a new type of alloy steel. The company's plates are used in many lines of manufacturing. Currently, Dominion Foundries is spending about $500,000 on extensions to the cold rolling equipment in its plant.

Last year saw D. F. S. profits at a new record figure, equivalent to $3.60 a share on the present stock after allowing for the two-for-one stock split of early 1939. Although operations in the first half of this year were down somewhat from 1938's level, it is probable that the full year will see the company reaching another new peak of earnings.

Dominion Steel & Coal Corp. ranks high in Canada's wartime supply plans. This company, with an annual capacity of 350,000 tons of primary steel and a number of converting plants, has developed along very satisfactory lines in the past few years. Its finances have been strengthened. Sales position is better now than it has ever been. The company has entered into export arrangements with British importers which assures an outlet for a large proportion of the Sydney plant's output. Earnings have grown and working capital expanded.

Nominally Dosco's iron and steel business has been on a capacity basis, or near capacity basis, for some time past. Under wartime conditions the company could step-up its output moderately. What the company can earn under wartime conditions, therefore, depends to a large measure upon the ruling price for iron and steel products. If the last war can be taken as a criterion, then prices should advance. Earnings should also expand. Under certain conditions Dosco could earn substantially more on its B stock than has been the case in the last two years, which have been better than average.

As far as the current year is concerned Dosco should show better returns than in 1938 when $1.19 a share was earned. Next year share profits should be appreciably larger, as during part of this year operations were on a reduced basis; a condition that is not likely to prevail in 1940.

One favorable factor in the outlook for Dosco is that the company is not immediately concerned with the Excess Profits Tax. It is estimated that the company can earn between $1.60 and $1.75 a share, before the new revenue Act becomes applicable.

Steel Co. of Canada

Steel Co. of Canada is one of the most important, if not the most important, operator in the Canadian iron and steel industry. Its plants have an annual capacity of better than 450,000 tons of steel. Moreover it has a number of converting plants which can be turned over to the manufacture of war supplies, such as munitions, etc. Consequently it figures largely in Canada's wartime effort.

Since 1936 the company has shown high earnings: $5.81 a share on the combined common and preferred in 1937 and $4.24 a share in 1938. This year the company will do better than it did last year. In the first nine months sales volume was slightly ahead of the like period in 1938, but profits were lower. Business on hand for the last quarter, however, indicates that returns for the full year will be well ahead of what had been anticipated a few months ago.

Steel of Canada's manufacturing facilities are modernized and of a high degree of efficiency. Hence the company is in a position to meet the exceptional conditions of wartime demand. The volume of business available to the company will undoubtedly stand at a high level as long as the war lasts and earnings should reflect this condition.

One point to consider in relation to the share profits of this company is that its very well established earning power will tend to keep down profits. In other words the Excess Profits Tax will take a large share of the expected increase in earnings arising out of business accruing directly and indirectly from the war.

MORE ALCOHOLS COMMON

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has called for trading 900 additional common shares of Commercial Alcohols Ltd., bringing the total number outstanding to 183,350.

Pulp and Paper Industry

Donnacona's Profits Rise

Wider Demand for Products—Profits May Reach $800,000

From Our Own Correspondent

MONTREAL.—Donnacona Paper Co.'s operating profits this year will run close to $800,000, against $501,700 in 1938 and $600,275 in 1937.

There has been a broadening in demand for the company's products, particularly in the last few weeks. Newsprint tonnage has been greater. Together with the premium on American funds, this has brought about an improvement in earnings of this division.

Sulphite pulp sales are largely on a contract basis and because of this, revenues are not likely to reflect the change which has taken place in this branch of the industry since war was declared.

An important source of revenue of late has been through the sale of groundwood pulp. To date the groundwood market has advanced much more than the market for sulphite. In view of the stronger demand for pulp, the company has reconditioned a number of groundwood machines.

Both domestic and export demands for insulating board is holding up well. Since the beginning of September there has been a substantial gain in the sales of board for temporary military buildings, etc.

Present indications are that the company will experience a good volume of business during the balance of the year and there is reason for believing that the figure of estimated profits will be reached.

Demand for Kraft Strong; Prices Advance

From Our Own Correspondent

MONTREAL.—Demand for kraft products continues strong with shipments well up to expectations. Only last month Canadian mills put into effect a 10% increase in the price of board. This should prove particularly helpful to Bathurst, the Wayagamack division of Consolidated Paper and, in particular, to Brompton. The latter was not only the first producer of kraft on this continent, but is the largest producer in Canada today of kraft paper and boards.

U. S. Advertising Linage Records Small Advance

From Our Own Correspondent

MONTREAL.—Advertising linage in 52 major American cities for the first nine months of 1939, according to Media Records Inc., amounted to 892,37,177. This contrasts with 879,965,180 lines for the like period of 1938. Consumption of newsprint paper has followed the same trend as advertising, a gain of 2.2% being recorded in the first 9 months.

Newsprint Scoreboard

NEWSPRINT PRODUCTION
January-September

	1939	1938	Increase
Production:		Tons	
Canada	2,058,899	1,914,660	144,239
United States	704,129	592,983	111,146
Newfoundland	221,919	188,099	33,830
North America	2,984,947	2,695,742	289,205

NEWSPRINT EXPORTS

Exports:			
Canada	2,019,453	1,771,003	248,450
Domestic	138,551	113,892	24,659
United States	1,549,630	1,301,501	248,129
Overseas	331,272	355,610	d24,338
United States—dom.	706,016	590,122	115,894
Newfoundland	203,683	173,351	30,332
Domestic	475	395	80
United States	57,826	40,422	17,404
England	145,402	132,534	12,868

STOCKS OF NEWSPRINT ON HAND
(End of September)

Stocks on Hand:			
Canadian mills	200,884	196,511	4,373
American mills	16,696	17,966	d1,270
Newfoundland mills	72,671	57,415	15,256
Total all mills	290,251	271,892	18,359
U. S. Publishers*	363,782	437,580	d73,798

*At end of August.

KEY FIGURES ON AMERICAN MARKET
(To end of August)

	1939	1938	Increase
Apparent consumption	2,262,114	2,218,998	43,116
Source of supply:			
United States	620,685	520,491	100,194
Canada	1,336,411	1,129,745	106,666
Europe	219,290	154,618	64,672
Newfoundland	50,998	33,756	17,242
From reserves	34,730	380,388	d345,658
Advertising linage:†			
†52 key cities	790,400,000	776,100,000	14,300,000

d—decrease.

Sources:—Newsprint Association of Canada; Newsprint Service Bureau; American Newspaper Publishers Association; Media Records Inc., etc.

U.S. Newsprint Consumption Rises With Reader Interest

From Our Own Correspondent

MONTREAL. — Consumption of newsprint paper by American publishers during September showed a sharp increase, reflecting wider reader interest because of war developments, rather than an increase in advertising space.

Last month consumption increased by 16.4% over August and 8.8% over September last year. Normally there is a seasonal rise in September over August, but the rise this year was greater than any since 1929.

Over 300,000 Tons

Apparent total consumption of newsprint paper in the United States last month was 309,422 tons. This compares with 265,865 in August and 282,671 in September, 1938. The increased consumption was in the face of an advertising decline of 1.9% in newspapers in 51 leading cities in the United States.

Manufacturers' stocks of newsprint at the end of September stood at 282,559 tons, a decrease of 18,871 during the month. The adjusted total stocks of United States publishers were 429,851 tons, to make total North American stocks 712,410 tons, a decrease of 1,268 tons for the month.

Screenings

Failure of newsprint securities to advance, following their first spurt when the premium on American funds greatly increased profit margins, has been due in part to the inability of newspaper advertising linage to keep pace with the gain in general business. As a reflection of this condition, Jones Heward & Co., members of the Montreal Stock Exchange, quote the index of retail advertising linage in the more important U. S. papers for the past nine months:

September	93.9
August	95.1
July	96.6
June	97.1
May	95.7
April	94.5
March	95.2
February	97.1

Three Groups Interested In Lake Sulphite's Future

From Our Own Correspondent

MONTREAL. — Negotiations are continuing with a view to working out a plan for rehabilitation of the bankrupt Lake Sulphite Pulp Co. Three groups are interested in the enterprise.

R. O. Sweezey, original promoter of the company, is very much in the picture. He has been working for some time on a plan which is said to be far advanced.

Lewis Calder, head of Perkins-Goodwin, large American pulp and paper dealers, is also keenly interested in the property. Associated with him is Victor Donaldson, well-known figure in the boxboard industry and until lately connected with the Gair Company.

A third group, whose identity is not known at this time, but is said to be American, would like to have the property as a source of supply of high-grade pulp for use in the manufacture of paper and rayon.

May be Joint Effort

The interests of these three groups is not diverse. Sweezey would like to see the property rehabilitated and the interests of the present security holders protected to as great a degree as possible, while the other two are primarily concerned with getting an interest in a pulp producing enterprise. It is possible therefore, that a joint effort will be made in working out a plan of reorganization.

Meanwhile the plant at Red Rock is in an unfinished state. The company's property at Nipigon has been leased for the time being for the purpose of utilizing the available pulpwood for making groundwood. Some 75 men are now at work at Nipigon in getting things into shape and operations may be started shortly.

Insulating Board Sales Up Sharply

September Returns Reflect Stocking Up With Supplies

From Our Own Correspondent

MONTREAL. — Domestic shipments of rigid insulating board jumped sharply in Sept., due, in part, to stocking up in anticipation of higher prices. Total shipments were 5,271,212 sq. ft., as against 4,467,857 sq. ft. in Sept. 1938. The principal gain was in panel board, while plaster board also showed a sharp increase. Roofing and miscellaneous board were down.

As a result of the upturn in September, cumulative shipments for the first nine months of this year totalled 36,570,911 sq. ft., as against 36,395,273 for the same period a year ago.

Comparative returns for September and for the nine months ended Sept. 30, 1939, and 1938, respectively, follow:

September
(In square feet)

	1939	1938
Panel	3,813,949	2,986,541
Plaster	736,418	452,626
Roof	687,176	807,076
Misc.	133,669	221,614
Total	5,371,212	4,467,857
Nine Months to Sept. 30		
Panel	27,455,960	27,729,840
Plaster	4,698,774	3,509,610
Roof	2,369,426	2,865,806
Misc.	2,046,751	2,190,017
Total	36,570,911	36,395,273

Vancouver Rayon Mill Plans Meet Difficulties

Establishment of the proposed $2.5 millions rayon mill at Vancouver is being held up by the fact that much of the capital and some of the technical men for the industry were to have come from Europe, according to B. C. reports. It is said that the plant has not been abandoned but, as Moritz & Pincoff, one of the chief backers of the proposed enterprise, is a Hamburg firm, considerable difficulty is being placed in the way of raising the required funds from other sources.

Newsprint Rail Charge Carries Same Surcharge

From Our Own Correspondent

MONTREAL.—Canadian railroads officially announced that the surcharge applicable on shipments of newsprint paper pre-paid in Canada for the period October 15 to 31 will be 7%.

Europe's Paper Finds Way to U.S.

From Our Own Correspondent

MONTREAL. — Disruption of European shipments so far has not prevented the movement of newsprint from the Scandinavian countries to the United States. During the first week of October four vessels docked at U. S. Atlantic ports and unloaded 3,282 rolls of newsprint paper. The amount of tonnage involved is unknown because of variations in the size of rolls.

On the Pacific coast, 1,125 rolls of newsprint paper were imported from Scandinavia during the same week.

Advance Plan Of Brown Co.

R. F. C. Agrees to Advance $10 Millions to End Bankruptcy

From Our Own Correspondent

MONTREAL.—Reorganization of Brown Co. is approaching final form. For five years this company, one of the more important pulp and paper producers, with plants in New Hampshire and Quebec, has been in bankruptcy.

Reconstruction Finance Corp. directors have agreed to make a loan of $10 millions to the company under certain conditions. It is understood representatives of the bond and other security holders are meeting this week to come to an agreement upon the final form of the reorganization plan.

The advances from the R.F.C. naturally would take precedence over the first mortgage bonds. However, it is expected that the interests of the latter will be fully protected, but ranking after the loan as a charge against assets and earnings.

No particulars are available as to the form the plan will take, but it is likely control of the company will rest with the preferred bondholders, with the right given to the Brown family, which now owns all the common stock, to repurchase stock under certain conditions.

Rolland Paper Co. Starts Enlarging St. Jerome Unit

From Our Own Correspondent

MONTREAL.—Rolland Paper Co. is undertaking the construction of an addition to its plant at St. Jerome to permit an increase of 25% in production capacity.

New productive facilities will be in operation by April next, according to Jean Rolland, president. An order for new paper-making machinery has been placed with Dominion Engineering Works.

A Good Name

For over 70 years the name Maclaren, in the Ottawa Valley, has stood for fair dealing and a quality product.

Newsprint—Groundwood
270,000 h.p. Hydro Power Installed capacity

MACLAREN POWER & PAPER COMPANY
Maclaren-Quebec Power Company
The James Maclaren Company Limited
BUCKINGHAM, QUEBEC

FRASER COMPANIES LIMITED
FRASER PAPER LIMITED
RESTIGOUCHE COMPANY LIMITED

Manufacturers of
LUMBER SULPHITE PULP PAPER BOARD
GROUNDWOOD PRINTING PAPER
BLEACHED SULPHITE PAPER
"RESTICOSE" RAYON PULP

Executive Office: Dominion Square Bldg., Montreal, P.Q.
General Office: Edmundston, New Brunswick

ANGLO-CANADIAN
PULP AND PAPER MILLS
LIMITED
Manufacturers of
NEWSPRINT PAPER
CAPACITY: 600 TONS DAILY
OFFICES and MILLS at QUEBEC CITY
Direct Connection With Both Canadian Railways
Privately-owned Wharf on Tidewater

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Carrying on Tradition

There was beauty and dignity in the dress and social ceremonies of Colonial times . . . just as there is in Colonial Bond which carries on the sound traditions of our forefathers. But beneath its fineness of finish and beauty of texture, Colonial Bond holds enduring strength born of its high rag-content. No other moderately priced rag-content bond can out-rival its three distinctive surface finishes . . . its smart colour variety . . . its versatility that gives distinction to Letterheads, endurance to Office Stationery and importance to such documents as Fire Insurance Policies.

Colonial "Cold Pressed" Finish is Unusual. Unusual in such a moderately priced paper . . . unusual in its dignified beauty. (Write for samples. We will gladly mail them on request.)

COLONIAL BOND

ROLLAND PAPER
COMPANY LIMITED
HIGH GRADE PAPER MAKERS SINCE 1882
MONTREAL
Branch Office: TORONTO, Ont. Mills at ST. JEROME and MONT ROLLAND, Que.

Canadians Thrill

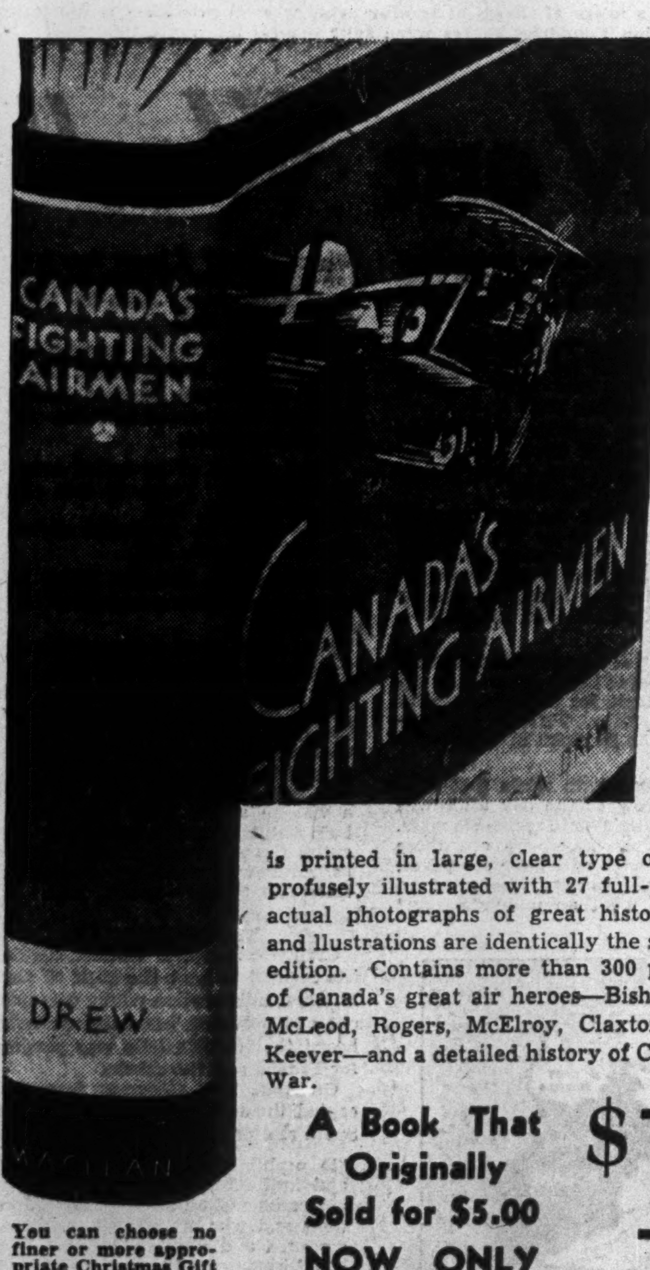
. . . to this imperishable story of valiant courage and heroic sacrifice ! . . .

The proudest pages in the story of Canada's record in the Great War were written by those valorous young Canadians who were Officers in the Royal Air Force—who made up a third of its numbers before the war's close.

It was in the newest branch of the Service that the old spirit of chivalry, of high adventure and individual daring still found full expression. In all history there is no more glorious story than that of these courageous youngsters whose exploits won the world's admiration—friend and foe alike!

The inspiring story of their achievement is told, simply and impressively, in Lieut.-Colonel Drew's great book—the only comprehensive and accurate record of Canada's war aces, based on information secured either from the British War Office or from the men themselves. This is a book that deserves an honored place in every Canadian home!

CANADA'S FIGHTING AIRMEN
by Lt.-Col. George A. Drew



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"I Am Not Crazy Enough to Want War"

(Continued from page 9)

to assist in the war or to enlist, upon pain of prison sentences.

"I remind you how in the past year the lie was suddenly spread that Germany had landed 20,000 men in Spanish Morocco. It was fortunate that these infamous falsehoods could immediately be disproved."—Feb., 1938.

When the Spanish war was over, and his Spanish battalions returned home in triumph, Hitler boasted at a troop rally:

"In July, 1936, I took the speedy decision to fulfill the request which (Franco) addressed to me and to give him a support commensurate to the help which the rest of the world granted to the internal enemies of Spain. Thus National Socialist Germany commenced to take an active part in the struggle. . . . It was most trying for all of us to be obliged to remain silent about your fighting."—June, 1939.

The "No Czechs" Lie

Czecho-Slovakia was next:

"Czecho-Slovakia, like Poland, always primarily followed the policy of representing their own national interests. Germany does not desire to attack these states." —March, 1936.

"Our racial theory" regards every war for the subjection and domination of an alien people as a proceeding which sooner or later changes and weakens the victor internally and eventually brings about his defeat."—May, 1935.

"It is neither our wish nor our intention to deprive foreign sections of the people of their national characteristics, speech or culture, in order to force upon them a Germanism which is alien to them."—May, 1935.

"Germany has neither the intention nor the will to attack France, Czecho-Slovakia or Poland."—March, 1936.

"Germany has the most sincere desire to establish trustful relations with all European Big Powers, as well as with other states. If this is not accomplished, it will not have been our fault. I will not wage war on women and children."

"The German people do not wish to continue waging war to readjust frontiers. Each readjustment is bought by sacrifices out of proportion to what is to be gained."—March, 1936.

In March, 1938, just after Hitler had taken Austria, Mr. Chamberlain told the House of Commons that Germany has given assurances that she had no hostile intentions against Czecho-Slovakia. Goering, he said, had given the Czech minister in Berlin his "word of honor." Said Hitler:

"I give the guarantee; we do not want any Czechs."—Sept., 1938.

"And now the last problem which must be solved confronts us. It is the last territorial claim which I have to make in Europe but it is one I will not renounce." —Sept., 1938.

The same month, Germany sent her seven-day ultimatum to Czecho-Slovakia, then marched into the Sudeten area.

And again the purr of the gorged.

"We may now regard this process of the growth of the German nation as virtually completed."—Jan., 1939.

Purring more loudly and at greater length, Hitler's personal and official press organ records.

"After the solution of the Sudeten problem, Germany has no more territorial demands in the whole of Europe. . . . Today, we stand and Europe with us close before the last stone of this long, dangerous road."

Again the effort to spoil the scent.

"The claim for German colonial possessions will be voiced from year to year with increasing vigor."—Feb., 1938.

"Germany wants nothing from France and Britain but a colonial settlement."—Nov., 1938.

"The German people must export goods or die, but the German people will live. We do not want our colonies in order to establish our armies. We want them for Germany's economic relief."—Jan. 30, 1939.

"If the rest of the world wants to talk about disarmament, we are ready for it too."—Nov. 7, 1938.

"We are not interested in suppressing other nations; we do not want to see other nations among us. We want to live our own lives and we want other people to do the same."—Sept., 1938.

"It is a lie to say I want war. I go on making peace with my neighbors. I go on inviting an everlasting settlement with France. —They call us treaty-breakers. It is a lie. We will be very careful what we sign—but when we sign we will honor our name at any cost."—May, 1938.

The "No Poland" Lie

Poland was next.

In his New Year's Day message, Hitler dropped these assurances on an anxious world.

"In general we have but one wish—that in the coming year we may be able to make our contribution to this general pacification of the whole world.

"Only the war-mongers think there will be a war. I think there will be a long period of peace."—January, 1939.

"I am not aware of any purpose for which I should wage a war." —April, 1939.

Shortly after coming into power, Hitler concluded a treaty with Poland. Proudly and frequently he later referred to that negotiation as a model of how international affairs should be handled.

Prior to concluding negotiations in which the Fuehrer prayed "the two countries should examine and inspect their respective interests in a cool and dispassionate manner," he said:

"There is not a single conflict in Europe which would justify a war . . . there is a Poland which is fired by a patriotic spirit, there is a Germany which clings to her traditions just as much. Between them there are certain differences of opinion and matters of friction resulting from a bad treaty, but there is nothing that would justify the shedding of precious blood." —Nov., 1933.

"We recognize the Polish State as the homeland of a great and nationally minded people. Sincere nationalists ourselves, we have understanding and feeling for the nationalism of others."—May, 1935.

"No matter what the differences of opinion between Poland and Germany may turn out to be in the future, disastrous consequences arising from an attempt to settle such a conflict by means of a warlike fashion would be in no proportion to the advantages which might possibly be derived from such action."—Jan., 1934.

"We are at all times ready to pursue a policy of understanding with our neighbors. We make no demands from them. We want nothing but peace."—Oct. 10, 1938.

"We are all convinced that this agreement with Poland will result in a lasting appeasement. We realize that there are two nations which must live side by side, neither of which is in a position to eliminate the other. It was necessary to find the way to an understanding. This was really a peaceful action which is worth more than the whole of the babbling at the palace of the league of nations."—Sept., 1938.

The "No-Soviet" Lie

Lambasting the Soviet had been one of Hitler's main tunes in his beer-hall days. To save Germany from going the way of the Soviets was a major avowed aim.

In Mein Kampf, Hitler indulged in some remarkable pot-calling-the-kettle-black.

"Soviet leaders have not the slightest intention of making an alliance. We should never forget that the masters of present day Russia are blood-stained common criminals, that they are indeed the dregs of humanity. It is, therefore, quite out of the question to conclude a treaty with a partner who is solely interested in the annihilation of the other party, nor does one conclude a treaty with individuals for whom no treaty would be sacred, because they are not the representatives of honor and truthfulness in this world, but the representatives of lies, fraud, theft and plunder.

"We see in Bolshevism a bestial, mad doctrine which is a threat to us. . . . I cannot make a pact with a regime whose first act is not the liberation of workmen but of the inmates of gaols. . . . We cannot negotiate with Jewish Communistic leaders. . . .

"There are two worlds. In Bolshevist Russia there is devastation, grim murder, and ruin. Here is laughter, happiness and beauty."—September, 1936.

"I refuse most emphatically to be joined with those whose programme is the destruction of Europe and who do not even try to conceal this programme."—September, 1937.

"We look upon Bolshevism as upon an intolerable danger to the world. We are endeavoring to make the German volk as immune as possible from this contagion, and it is necessary that we should avoid all close contacts with the bearers of this poisonous bacilli . . . . I requested German workers to avoid all contacts and relations with these international parasites and consequently it will never occur that one will see me dining and wining with them. Furthermore any treaty links between German and present-day Bolshevist Russia would be without any value whatever. It is inconceivable that National Socialist Germany should ever fulfil any undertaking for the assistance of Bolshevism, and it is equally impossible that we should ever accept help from a Bolshevistic state."—Jan., 1937.

On the subject of Russia's admission to the League of Nations, Hitler has used the analogy of Reynard, the Fox, who, Hitler related "overcame the suspicion of other animals toward him by his humble demeanor. So after he had gained admission to their Animals' League, he killed one beast after another because their former united defense against him had ceased."

The question now is, who is going to deceive whom?

September 1, Hitler annexed Danzig and soon World War II was blazing.

If Hitler's lies can be depended on, two other states are seemingly slated for disaster.

"Germany will guarantee permanent inviolable neutrality of Holland and Belgium."—Jan., 1937.

"When has the German people ever broken its word?"—Nov., 1933.

New Building

Dominion Dept. of Public Works has awarded contract at $239,210 for construction of administration and wind tunnel building on outskirts of Ottawa, as the first unit of a large group of laboratory buildings for the National Research Council.

Marshall Ventilated Mattress Co., subsidiary of L. A. Young Spring & Wire Corp., Detroit, is reported as lessee of $120,000 factory building now being constructed in Leaside, Toronto suburb.

O'Keefe Brewing Co., Toronto, plans to call tenders shortly for construction of additional story on brewery building in downtown Toronto, at estimated cost of $75,000.

Rolland Paper Co. has started work on extension of mill at St. Jerome, Que., to accommodate extra machine.

St. George Snowshoe Club has awarded contract for construction of $60,000 clubhouse and curling rink in Westmount, Montreal.

Welland Vale Manufacturing Co., Hamilton, Ont., has awarded contract for $50,000 addition to plant.

Faymar Porcupine Gold Mines has awarded general contract for construction of mining buildings and facilities at South Porcupine, Ont., at estimated cost of $325,000.

Quebec Dept. of Highways has awarded contracts involving total outlay of $275,000 for reconstruction of sections of highways in the eastern townships.

International Harvester Co. of Canada has awarded contract for $150,000 truck sales and service building on the outskirts of the downtown district of Toronto.

Faith in Canada's Future

To lend money on Canadian real estate away back in 1855, when this Corporation was first established in business, required more than good judgment—it required faith. The future of Canada was obscure. Never in the years that have followed has that faith wavered. It governs the Canada Permanent policy to-day.

CANADA PERMANENT
Mortgage Corporation

Head Office
320 BAY ST. - TORONTO

Assets Exceed $68,000,000

CUBIC FEET
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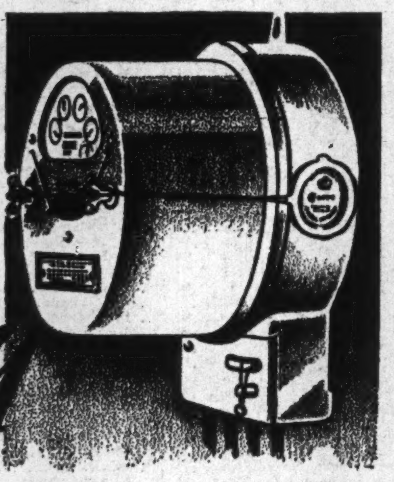
THE GOVERNMENT TESTS ALL GAS AND ELECTRICITY METERS... for accuracy



BECAUSE the inspection and testing of meters is carried on continuously the meter that is found to have developed the slightest defect is promptly removed from service. All meters installed for the purpose of computing the amount of electricity or gas that has been used—and for which a charge is established—all such meters are required by acts of parliament to be inspected every six years. To control and inspect the approximately 2,658,317 meters in use in Canada, 20 offices have been established throughout the Dominion. These are in charge of the Electricity and Gas Inspection Branch of the Department of Trade and Commerce, Ottawa.

ALL METERS ARE INDEXED

Canada is divided into twenty districts; each with a senior officer of the Electricity and Gas Inspection Service in charge. About 100 inspectors operate from the combined 20 offices. Each office keeps a complete record of meters in the district and all records are kept up-to-date and instantly available. The meters inspected range in size from the smallest required for domestic use, to the very largest employed for industrial and commercial purposes. Every meter in use bears the government seal which signifies that the meter was inspected and found accurate. This seal also prevents the meter from being opened and tampered with. Government supervision of this kind forms a protection for all Canadian Citizens who buy or sell electricity, manufactured gas or natural gas.

CANADA LED THE WORLD IN THIS SERVICE

For many years after gas came into use there was no periodic inspection of gas meters in any country in the world. But the Confederation of Canada had been established only 8 years when the Federal Government caused the Gas Inspection Act to come into force in 1875. Then in 1894 a similar Electricity Inspection Act was passed. In adopting these protective policies, Canada led all other countries. Known now as the Electricity and Gas Inspection Service, this branch of the Department of Trade and Commerce, is really the pioneer of this form of public service the world over.

CANADA
6 1939
ELECTRICITY & GAS
TRADE & COMMERCE

This Government Seal is your guarantee that the meter has been officially approved, inspected and found accurate. The seal also prevents tampering with or manipulation of the meter's mechanism.

NO METER CAN BE INSTALLED WITHOUT THE GOVERNMENT SEAL

The Electricity and Gas Inspection Acts render the Government responsible for the type of meters placed in general use. Before they can be used every type of meter must be approved. And every new meter of every type is inspected for accuracy before it can be installed for service. The seal of the Department of Trade and Commerce which is placed on all meters, is therefore of prime importance to the citizens who buy or sell electricity or gas.

ELECTRICITY AND GAS INSPECTION SERVICES

DEPARTMENT OF TRADE AND COMMERCE

HON. W. D. EULER, M.P., Minister
J. G. PARMELEE, Deputy Minister

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Indust. Acceptance

What do you think of Industrial Acceptance bonds? Will earnings be affected by the war?

You ask about bonds of Industrial Acceptance Corp. We assume you refer to the company's 4% convertible notes.

There is no reason to believe the standing of the convertible notes as a sound investment will be affected by the war. The company has an excellent earning's record and should have no difficulty in earning the interest on its notes.

There is no reason to believe earnings of the company will be seriously affected. There may be some curtailment of certain types of installment buying. Others should increase. Business of the company is affected by the level of employment and wages. Thus, as the general level of business activity rises one can expect improvement in earnings of Industrial Acceptance.

Building Products

What effect will the war have on earnings of Building Products? Can the company maintain dividend payments?

Prospects are that business of Building Products will be adversely affected by the war. New construction, especially of homes, is likely to be curtailed somewhat. This may be offset to some extent by plant extensions and rehabilitation of old plants.

It is not possible to make any prediction as to how seriously earnings will be affected. This depends on a combination of factors. It should be noted, however, that the company was able to show earnings on its common stock even during the depression years when construction work was at a low level. The company also paid dividends during the depression, although at a reduced rate.

Dividends during the depression years were paid in part out of surplus. Its accumulated surplus at present is such that it could be drawn on for the payment of dividends. Of course, if earnings are drastically reduced, the dividend rate may have to be cut.

Aluminium Ltd.

Please let me have your views on the common stock of Aluminium Ltd. I would like to know something about dividends and current earnings.

Common stock of Aluminium Ltd. represents a rather interesting investment medium. This company acquired the export business and foreign properties of the Aluminum Company of America and is now represented in practically all the major aluminum-consuming countries of the world. In the last two or three years operations have expanded on a very broad scale. Additional capacity has been installed and earnings increased. The company does not pay cash dividends on a regular basis. An initial dividend of 25c. a share, plus a stock dividend of 10%, were declared on the common, both payable April 28, 1939, to shareholders of record April 15. The general view is that the company is not likely to initiate any regular cash dividend policy, the management preferring to use surplus earnings to further extend operations. Last year the company earned $15.87 a share on the common stock and indications are that it will do as well this year. One fact to keep in mind is that the recently enacted Excess Profits' Tax will tend to hold down earnings of the company.

Colombia Bonds

I hold some Colombia bonds and would like a report on their current position. What are the prospects of being able to sell them in the future at around par?

The outlook for bonds of most South American countries is not very bright. Colombia has not paid any interest or sinking fund on its external debt since 1931. However, the situation in regard to Colombia bonds is more favorable than in the case of some South American countries.

Recently there has been an indication that Colombia is willing to resume debt service on the basis of ability to pay. In fact, some provision for debt service on dollar bonds was provided in the last budget of the Government. As yet, however, no definite arrangement for resumption of debt service on a partial basis has been made. Negotiations have been in progress for several months with the Foreign Bondholders' Protective Council of New York. The proposed plan calls for interest at the rate of 1½% for the first four years after debt service is resumed. Later, the rate would be raised to 2% and then to 3%, depending upon economic conditions.

An uncertain factor is the outbreak of war. This may upset plans for resumption of debt service. Colombia may be adversely affected, especially if purchases by certain European countries are restricted.

The prospects are not very bright of ever being able to sell these bonds at around par.

Burns & Co.

I have noticed that Burns & Co. bonds have risen in price and I am thinking of purchasing some of these. Would you please give me your opinion? I might say that safety of principal is my first consideration.

Burns & Co. bonds have appreciated in price because of the hope held for meat packers in wartime. There would appear to be adequate reason for believing that operations of these companies will be conducted at capacity. Canadian packers cannot fill British demand for bacon in peacetime and this is likely to be increased considerably by war. There has been no official announcement of government orders placed with meat packers, but there is a distinct possibility that some working arrangement, subject to ability to obtain supplies of livestock for slaughtering will be made.

Earnings of Burns & Co. have been unsatisfactory for some time, because of conditions in western Canada. During the drought era, livestock raisers killed off much of their stock because of the inability to feed them with the small supply of grain on hand. Subsequently, meat packers have not had enough stock to process to fill orders. This situation is being gradually rectified and in 1940 it is expected production will be increased about 25%.

While the outlook is good, earnings in six months this year were substantially lower than in the same period of 1938. In the past six weeks improvement has been noted. You state that security of principal is your first consideration. Because of this, you must look at the high yield on Burns & Co. bonds as an indication of what investors believe the security of Burns bonds is. There is the earnings record and history of the organization to substantiate investors' doubt of these obligations. In 1938 the bonds did not earn their mandatory interest after depreciation. Interest was not paid on the income portion for 1938. Interest on all outstanding bonds, totalling $6.7 millions, became obligatory from Jan. 1, 1939. Sinking fund commences Jan. 1, 1940.

Inter. Petroleum

Are the shares of International Petroleum Co. likely to appreciate during war?

International Petroleum Co. shares have appreciated substantially in price since the outbreak of war. Presumably this was due to the widely held opinion that petroleum supplies are an essential for a successful war. It is assumed that demand for these products will be increased on the part of nations at war while the tendency is likely to be toward somewhat higher prices for crude oil. As the reason that International Petroleum earned somewhat less in the past 12 months than in the preceding year was because of unsatisfactory price levels, it is easy to see where considerable improvements could take place, particularly as the company is now coming into possession of increased resources of crude oil output. Transportation risks are undoubtedly present during wartime but our advice is that the British Admiralty will likely take elaborate precautions to assure that supplies of this essential commodity are always available.

Ford Motor

How would you consider investment in Ford Motor Co. stock?

Ford Motor Company of Canada is the only direct opportunity which Canadian investors have to participate in the automobile industry in this country. About 50% of this company's output has been sold in export markets in recent years and it is understood that there is some doubt as to whether or not they will be able to maintain exports at former levels because of transportation difficulties and restrictions on imports and uses of gasoline in certain markets. On the other hand, the potential larger income among Canadian farmers gives promise of better sales in this country which might easily offset export losses. In addition to this the company's plant should be well adapted to make the many lines of mechanized transport equipment needed by modern armies

CANADIAN SECURITIES

Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1938), $11,074,577
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

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AS the increase in travel by air illustrates the public's confidence in the aeroplane as a mode of transportation, so the growth of our business shows the confidence of Canadians in this well-established company.

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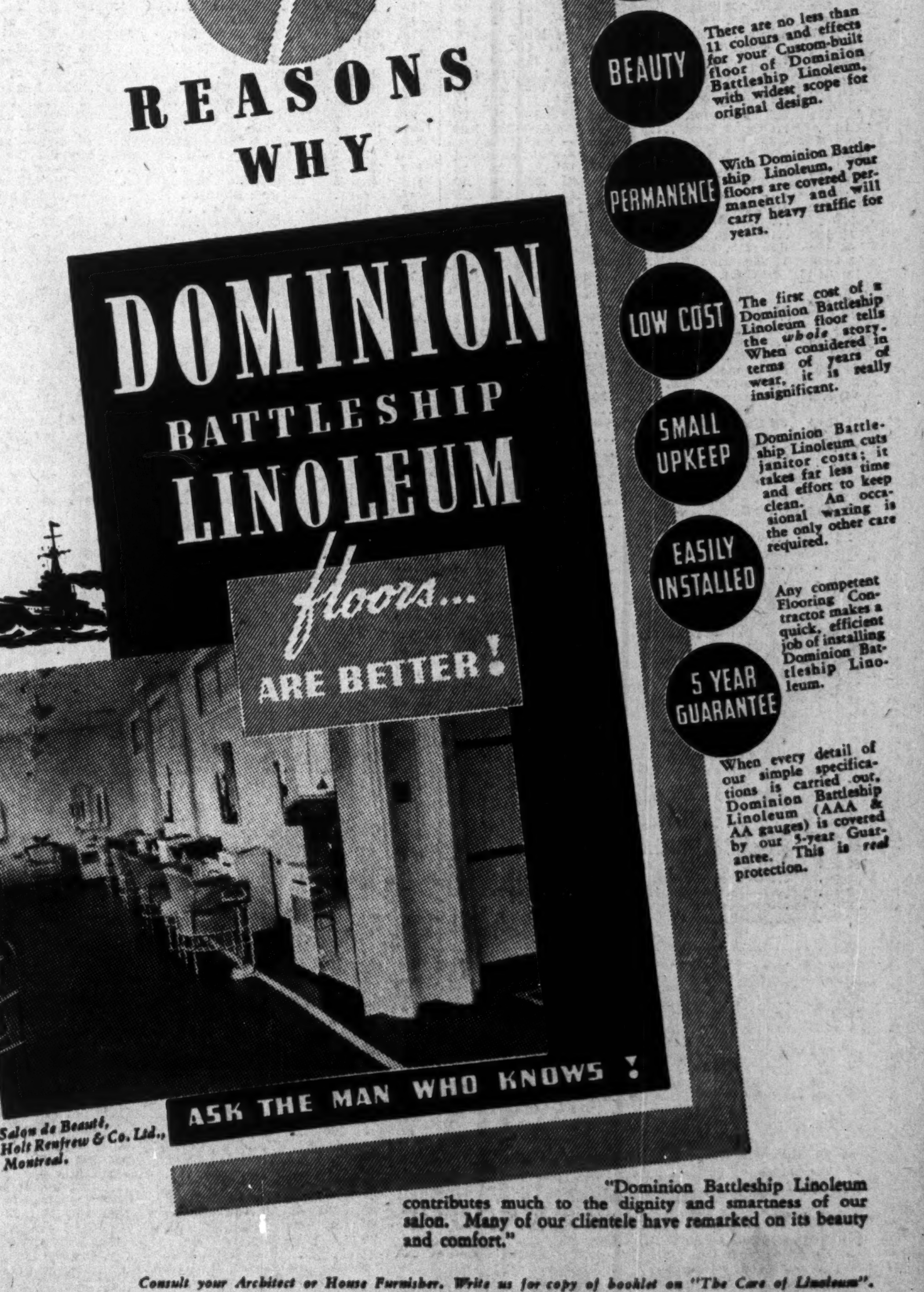

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PERMANENCE — With Dominion Battleship Linoleum, your floors are covered permanently and will carry heavy traffic for years.

LOW COST — The first cost of a Dominion Battleship Linoleum floor tells the *whole* story. When considered in terms of years of wear, it is really insignificant.

SMALL UPKEEP — Dominion Battleship Linoleum cuts janitor costs; it takes far less time and effort to keep clean. An occasional waxing is the only other care required.

EASILY INSTALLED — Any competent Flooring Contractor makes a quick, efficient job of installing Dominion Battleship Linoleum.

5 YEAR GUARANTEE — When every detail of our simple specifications is carried out, Dominion Battleship Linoleum (AAA & AA gauges) is covered by our 5-year Guarantee. This is *real* protection.

Salon de Beauté, Holt Renfrew & Co. Ltd., Montreal.

"Dominion Battleship Linoleum contributes much to the dignity and smartness of our salon. Many of our clientele have remarked on its beauty and comfort."

Consult your Architect or House Furnisher. Write us for copy of booklet on "The Care of Linoleum".

• DOMINION OILCLOTH & LINOLEUM CO. LIMITED, MONTREAL •

Toronto and Montreal Exchange

The Week's Quotations

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING OCTOBER 23

Range 1939 High	Range 1939 Low	Div R'te $	Oct21 Y'ld %		Sales	Last Oct. 16	Week end. Oct. 23 H	L	Cl'se
				A					
3¾	1	.	...	Abitibi	28300	1¾	2½	1¾	2½
21½	3½	.	...	Do. pref. 6%	8008	15½	17	15½	16½
36	4	.	...	Do. pref. 7%	75	34½	35	34½	34½
4½	3½	30c	6.9	Acadia Sugar	25	4½	4½	4½	4½
5½	5½	30c	5.2	Do. pref.	....	(4½ bid — asked)			
6	2	.	...	Acme Glove	35	6	6	6	6
*82	60		...	Do. pref.	....	(— bid 70 asked)			
11½	9½	60+20	6.9	Agnew Surp.	80	11	11½	11	11½
114	104	7	6.4	Do. pref.	15	105	110	105	110
4½	1	.	...	Alta. Pac. Gr.	315	4½	4½	4	4
34	13	.	...	Do. pref.	670	32	34	32	34
20½	6½	.	...	Algoma Steel	4509	19¾	20½	19	19
84	51	.	...	Do. pref.	....	(92 bid 97 asked)			
142½	104	25c+10%		Aluminum	556	130	135	130	132
112¾	111½	6	...	Do. pref.	....	(112½ July 28)			
5½	4½	*	...	Amal. Electric	80	5	5	5	5
22½	22½	60c	2.7	Amer. Cyn. B.	....	(— bid — asked)			
50	47	2.75	5.7	Ang. Can. Tel. p	....	(46 bid — asked)			
28½	17½	60+30	3.6	Asbestos	2143	24½	24¾	24½	24½
17	11	80+45c	8.3	Assoc. Brew.	30	14	15	14½	14½
115	109	7	6.2	Do. pref.	....	(112 bid — asked)			
6½	6½	.	...	Assoc. T. & T. A.	....	(— bid — asked)			
31	29	1.68	...	Do. pref.	....	(28 bid — asked)			
102	100	5.50	5.5	Ault & Wiborg	....	(100 bid — asked)			
				B					
168	140	8	5.2	Bk. Can. Nat.	7	155	155	155	155
222	176	8	4	Bk. Montreal	18	195	200	198	200
312	285	12	3.9	Bk. N. Scotia	123	300	312	300	312
255	215	10	4.1	Bk. Toronto	9	240	250	241	250
5	4½	.	...	Barcelona	....	(5 Mar. 18)			
7½	3	.	...	Barker's Bread	....	(5½ bid 6½ asked)			
39½	20	2.50	7.2	Do. pref.	50	34¾	36	35	35
14½	4½	25c	...	Bathurst Pr.	14304	12½	14½	12½	14½
5½	½	.	...	Do. (B)	5172	4¾	5½	4¾	5
2.75	.50	.	...	Bawlf Grain	425	2.25	2.38	2.00	2.25
17	15	.	...	Do. pref.	....	(22 bid — asked)			
4	1½	.	...	Beath & Sons	....	(4 bid 6 asked)			
8½	4	.	...	Beatty Bros. A.	225	5¾	7½	7	7½
105	99½	6	5.9	Do. pref.	17	102	102	101	102
97	90	7	7.8	Do. 2nd pref.	....	(— bid 95 asked)			
7½	2	.	...	Beauharnois	14315	5½	7½	5½	7½
96	90	4	4.3	Belding Cort.	5	92	92½	92½	92½
141	131	7	5.2	Do. pref.	....	(135 bid 140 asked)			
178	140	8	4.9	Bell Telephone	629	163½	163½	162	163½
8	6	62½c	...	Biltmore Hats	....	(7½ bid 11 asked)			
7	3½	.	...	Blue Ribbon	710	5¾	7	5¾	7
35½	25	.25	7.3	Do. pref.	225	34½	34½	34	34
24½	17½	1.30	7.2	Brant. Cord. pf.	....	(— bid 20 asked)			
12½	5½	.	...	Brazilian Tr.	53083	8½	10½	8	9¾
5¾	3	50+25c	...	Brew. & Distil.	70	4	4½	4	4½
6½	6½	30c	4.8	Bright, T. G.	....	(4¾ bid — asked)			
80	80	6	7.5	Do. pref.	....	(74 bid — asked)			
23½	18¾	1	4.3	Brit. Amer. Oil	6630	23½	23¾	23	23½
18½	11	.	...	B. C. Packers	420	15	17	15½	17
28½	20	2	7.7	B. C. Power A.	490	25	27½	26	26
3	1	.	...	Do. (B)	58	3	3	2	3
6½	2	.	...	Bruck S. Mills	2985	5½	6½	5½	6½
19	12¾	70+10c	4.4	Building Prod	1555	17½	18	17½	18
15¾	9½	60c	4	Burlington St'l	4705	15½	15½	14¾	15
				C					
82½	70	.	...	Calgary Power	....	(65 bid 72 asked)			
99½	93	6	6.1	Do. pref.	....	(97½ bid 100 asked)			
6	2	.	...	Canada Bread	1195	5½	6	5½	5¾
105½	97	5	4.9	Do. pref.	15	97½	102	100	102
60	49	2.50+1.50▲	4½	Do. pf. B.	....	(56½ bid 60 asked)			
5	3	40c	10	Canada Bud	40	4	4	3¾	4
10¾	5½	.	...	Canada Cement	26627	7½	9	7	8½
102½	78	5	5.4	Do. pref.	357	85	92½	87	91
105	100	5	4.8	Canada Cycle, p	5	102	103	103	103
33½	25	1.50	4.5	C. & D. Sugar	1360	32½	33½	32¾	32¾
b20½	12	50c	3.2	Canada Dry	55	15	15¾	14¾	15½
24	7	.	...	Can. Forg. (A)	570	22½	23	22	23
22½	7	.	...	Do. (B)	90	21	22½	22	22
20	20	.	...	Can. Iron	....	(20 bid 40 asked)			
55	50	4.50	8.1	Do. pref.	....	(55 bid 75 asked)			
38	28	1.50+50	6.2	Can. Malting	188	33	33½	32¾	32¾
18	13½	1.20	7.5	Can. Nor. Pr.	291	15	16	15	16
112	95½	7	6.7	Do. pref.	111	104	104½	104	104
104	66	3+1	3.9	Can. Packers	358	100	104	101	102
*7	1¾	.	...	Can. Paving, pf.	....	(— bid 2 asked)			
153	134	8	5.8	Can. Perman.	25	137	140	137	140
7½	6	.	...	Can. Starch	....	(6 bid — asked)			
109	108	7	6.4	Do. pref.	....	(109 bid — asked)			
7¾	1	.	...	Can. Steamsh's	8992	7½	7½	6½	6½
19½	5	50c	2.9	Do. pref.	3502	18½	18¾	16½	17½
18	10	1.20	9.6	Can. Vinegars	170	12½	12¾	12	12½
65	55	4	6.4	Can. W. Cable	91	64	64	62	62
25	14	50c		Do. (B)	177	22½	21½	20½	20½
107½	101	6.50	6.4	Do. pref.	....	(104 bid — asked)			
1½	1	.	...	Can. Bakeries	74	1	1½	1½	1½
60	25	.	...	Do. pref.	125	60	60	60	60
179	134	8	5	Can. Bk. Com.	172	159	161	158	159
1.80	.75	.	...	Can. Breweries	1867	1.05	1.25	1.15	1.25
23	14½	2	10.8	Do. pref.	612	18½	18¾	18	18½
45	30	1.50	3.3	Can. Bronze	50	44½	45	45	45
106	105	5	4.8	Do. pref.	....	(107 bid — asked)			
10½	2½	.	...	Can. Canners	1563	9½	10½	9¾	9¾
19½	16½	1	5.3	Do. 1st pfd.	605	19	19½	19	19
12¾	6	60c	4.7	Do. 2nd pfd.	2704	12½	12¾	12¾	12¾
18½	6½	.	...	Can. Car & F'y.	8715	17	18	17	17½
34½	17	.	...	Do. pref.	655	28¾	29¾	28	28½
24½	10½	75+35c	...	Can. Celanese	2677	23½	24½	23½	23¾
120	95	7	5.9	Do. pref.	210	114	120	118	118
21	17¾	1	...	Do. Rights	....	(20½ bid 21 asked)			
18	14	.	...	Can. Convert.	190	15	17	15	17
67	63	4	6.2	Can. Cottons	....	(81 bid — asked)			
105½	100	6	5.7	Do. pref.	4	105½	105½	105½	105½
25	10½	1	4.2	Can. Dredge	830	15	25	15	23
102½	98½	6	5.8	Can. Fairb. pf.	....	(99 bid — asked)			
13	6	1.40	11.6	Can. For. Inv.	1025	10½	12¾	12	12
100	90	8	8.9	Do. pref.	....	(— bid 100 asked)			
255½	200	6	3	Can. Gen. Elec.	....	(200 bid — asked)			
9½	7	50c	5.4	Can. G. Inv.	....	(9½ bid — asked)			
4½	1½	10c	...	Can. Ind. Alc.	5980	4½	4½	4½	4½
4¾	1½	10c	...	Do. (B)	650	4¼	3½	3¾	3¾
232	192¾	7	3	Can. Indust. B.	10	224½	232	231	232
175	157	7	4.4	Do. pref.		(157 Sept. 19)			
.75	.20	.	...	Can. Int. I. Tr.	....	(.50 bid 1.00 asked)			
50	40	2	...	Do. pref.	30	45	50	50	50
15	12½	1	8	Can. Lt. & Pr.	....	(13¾ bid 18 asked)			
19½	4	.	...	Can. Locomo.	315	18½	19½	18½	19½
21	18	.	...	Can. Mach'y, p.	7	18	21	21	21
1.85	.75	.	...	Can. Marconi	8725	1.40	1.75	1.50	1.75
20	12	50+50c	6.1	Can. Oil	265	13	16½	14	16½
122	106	8	6.9	Do. pref.	....	(116 bid 118 asked)			
9½	3	.	...	Can. Pacific	39074	7¾	8½	7¾	7¾
1.50	.30	.	...	C. Pr. & Pa. In.	522	1.10	1.50	1.25	1.50
6½	3½	.	...	Do. pref.	220	5	6½	5½	6½
10	2	.	...	Can. Vickers	1205	9	9	8½	8½
41	10	.	...	Do. pref.	235	25	35	34	34
15	9	50c	5	C. Wallpaper A.	30	9	10	10	10
13	9	50c	5.5	Do. (B)	10	9	9	9	9
60	48	1.87½	3.6	Can. West'ho'se	....	(54 bid — asked)			
4	3	25c	...	Can. Wineries	200	3½	4	4	4
20½	14¾	1.50	7.9	Can. Wire Box	20	19	19	19	19
3.00	.80	.	...	Capital Estates	300	1.10	1.10	1.07	1.07
112	103¾	5	4.5	Carnation, pfd.	310	106	112	112	112
12	6	50c	4.9	Catelli Food	328	10½	11	10½	11
13	11	75c	6.2	Do. pref.	210	12	12½	12	12
3.00	1.60	.	...	Celtic Knit	25	2.00	3.00	3.00	3.00
165	160	8	4.8	Cent. Can. L'n.	....	(— bid 175 asked)			
100	100	4+1	5	Chart. Trust	....	(— bid 95 asked)			
.70	.14	.	...	Chem. Research	4000	.25	.25	.25	.25
1.10	.10	.	...	City Gas & El.	2100	.25	.25	.20	.20
.15	.05	.	...	Claude Neon	100	.15	.15	.15	.15
1.35	1.00	12c	10	Coast Brew.	250	1.10	1.20	1.20	1.20
11¾	5	.	...	Cockshutt Plow	2417	11¾	11¾	10¾	11
3½	1½	10c	...	Comm. Alcohol	5625	3½	3¾	3¾	3½
6½	4½	40c	6.3	Do. pref.	440	6½	6¾	6	6½
4	3	30c	7.5	Conduits Nat.	300	3½	4	3	4
17½	12	1+15	6.5	Cons. Bakeries	930	16	17½	16½	17
.05	.05	.	...	Cons. Div. Sec.	....	(.05 bid — asked)			
8½	6½	75c	...	Do. pref.	....	(7½ bid — asked)			
9½	2½	.	...	Cons. Paper	34809	8½	8¾	8½	8½
8	5	.	...	Cons. Press	....	(9 bid 11¾ asked)			
75	48	1.75	...	Cons. Sand, pf.	....	(46 bid 70 asked)			
61½	37½	1+1	4	Cons. Smelters	1810	51	51¾	50½	50½
183	150	10	6.1	Consumers' Gas	205	167	168	162	166
45	20½	.	...	Corr. P. Box, p.	10	42	42	42	42
26	16½	1.20	4.5	Cosmos Imp.	300	26	26	25½	25½
105	101	5	4.8	Do., pref.	....	(103 bid — asked)			
29	21	1.60	6.1	Crown Cork	80	25	26	26	26
5	2	.	...	Crown Dom. Oil	....	(2¾ bid 3½ asked)			
35	24	3	...	Crow's N. Coal	....	(25 bid 33 asked)			
4.25	.50	.	...	Cub. Aircraft	6705	3.62	3.87	3.50	3.50
				D, E					
17	11	60+30c	7.8	David & Fr. A	....	(12½ bid — asked)			
2½	1½	.	...	Do. (B)	....	(1½ bid 2¾ asked)			
15½	5	.	...	de Havilland	60	15½	14¾	14½	14½
90	70	.	...	Do. pref.	....	(— bid 85 asked)			
3	2½	.	...	Disher Steel	....	(2½ bid 4½ asked)			
10	9	.	...	Do. pref.	....	(12 bid 15 asked)			
20½	15	2	10.4	Distill-Seagram	2920	18	19½	18	19½
90	75	5	5.9	Do. pref.	....	(75 bid 87¾ asked)			
30	30	.	...	Dom. Ang. Inv.	....	(30 bid 48 asked)			
75	75	5+2.50▲	...	Do. pref.	....	(70 bid 84 asked)			
210½	185	10	5	Dom. Bank	8	200	200	200	200
46½	23½	1.20	2.6	Dom. Bridge	4097	45	46¾	44½	44½
22	15	1.50	6.8	Dom. Coal, pf.	1065	19	22	21½	21¾
45	20	.	...	Dom. Engineer.	616	41	45	41½	43
40	19	1	2.5	Dom. Foundries	8325	35½	40	35¾	39¾
106½	104½	6	5.6	Do. pref.	35	106½	106½	106½	106½
118	105	5	4.3	Dom. Glass	36	113	118	115½	115½
165	146½	7	4.4	Do. pref.	....	(140 bid 155 asked)			
33	28	1.60	...	Dom. Oilcloth	25	29	28	28	28
2	¼	.	...	Dom. Scot. Inv.	....	(1 bid 1½ asked)			
30	25	1.20	...	Do. pref.	....	(— bid 28 asked)			
18½	7½	.	...	Dom. St. & C.B.	29154	16½	18½	16¾	17½
7¾	3	.	...	Dom. Stores	2927	5½	6½	5¾	6½
7¾	3½	.	...	Dom. Tar & Ch.	9175	6¾	7½	6¾	7½
88	69	5.50	6.5	Do. pref.	200	83	84¾	84½	84½
90½	55	5	5.6	Dom. Textile	1531	88¾	90½	89	89
161	147	7	4.4	Do. pref.	....	(150 bid 156 asked)			
9¾	2	.	...	Donnacona P.A.	5856	8¾	9½	8¾	9½
11	2	.	...	Do. (B)	4064	8½	8¾	8½	8¾
11¾	3	.	...	Dryden Paper	6855	10½	11¾	10½	11½
1.00	.30	.	...	East Koot. Pr.	5	.75	.75	.75	.75
8½	5½	.	...	Do. pref.	....	(6 bid 15 asked)			
1.50	.45	.	...	East Dairies	515	.95	1.50	1.25	1.50
7	2	.	...	Do. pref.	7	7	6	6	6
19¾	11	1	5.1	East Steel	5650	19½	19¾	19	19½
96	65	7	9.2	East Theat. pf.	....	(75 bid 89 asked)			
3½	1½	.	...	Easy Washing	215	3	3½	3	3½
33	22	2.25	...	Economic Inv.	100	23	26	26	26
15	8	1.20	12.5	Electrolux	200	9½	10	10	10
3	½	.	...	Enam. & Heat.	110	3	3	3	3
34	25	2.50	7.3	English Electric	....	(25 bid 34 asked)			
8½	2	.	...	Do. (B)	195	6	6	6	6
8	3½	15c	...	Equitable Life	15	3½	4	4	4
8	5½	60c	11.4	European El. A.	....	(— bid 7 asked)			
*.10	.01	.	...	Do. Warrants	....	(— bid — asked)			
				F, G					
8	2¾	.	...	Fairchild Air	14197	7½	8	7½	7½
23½	18	1	4.9	Fam. Players	20	21	20½	20½	20½
24	19	1+50	6.3	Fanny Farmer	2144	22½	24	22½	23¾
11	3½	.	...	Fleet Aircraft	28875	10½	11	10	10¾
3½	1	.	...	Fleury Bissell	....	(2½ bid — asked)			
34	25	.	...	Do. pref.	10	32	34	34	34
23½	16½	1	4.3	Ford Motor A.	6258	23	23¾	23	23
24	17½	1	4.2	Do. (B)	....	(23½ bid 23¾ asked)			
.33	.15	.	...	For. Pr. Secs.	....	(.20 bid .40 asked)			
12½	6½	.	...	Foundation Co.	1095	11¾	12½	11	11
21	5	.	...	Fraser Cos.	157	21	21	20	21
23½	5	.	...	Do. Vot. Tr.	6204	21¾	23	21½	23½
.30	.25	.	...	Freiman, c.		(.25 Apr. 3)			
38	30	.	...	Do. pref.	....	(— bid 35 asked)			
16½	11	80c	5.8	Gatineau Pwr.	953	14½	14½	14	14½
95	78	5	5.3	Do. pref.	80	94	94	93	93
6	2½	.	...	Do. Rights	400	4½	4½	4½	4½
11¾	4½	.	...	Gen. St. Wares	19747	10½	12	10½	11½
91	55	5.25	...	Do. pref.	750	86	91	86	91
90	66	2.50+5	8	Goodyear Tire	268	87	90	87	89¾
58½	52½	2.50	4.5	Do. pref.	186	55	56	54	56
9½	5	.	...	Gt. Lakes Pap.	40	9	9½	9	9½
24½	12	.	...	Do. pref.	....	(24½ Sept. 26)			
10½	2½	.	...	Do. Vot. Tr. c.	515	9	9½	8½	9
28	9½	.	...	Do. Vot. Tr. p	770	24	28	25½	27½
2.25	.60	.	...	Gt. W. Saddlery	110	1.25	1.90	1.50	1.90
25	8	.	...	Do. pref.	5	19½	20	20	20
15½	9½	60c	4.5	Greening Wire	10	13½	13½	13½	13½
6½	4	†30c	..	Gurd, Chas.	62	4½	4½	4½	4½
108	105	7	6.7	Do. pref.	....	(105 July 17)			
7	3	.	...	Gypsum, Lime	12337	5½	5½	5½	5½
				H, I					
9½	6	.	...	Ham. Bridge	24312	7¾	9½	8	8½
31	22	2	6.7	Ham. Cot., pf.	100	31	30	30	30
1.00	.45	.	...	Ham. U. Theat.	....	(.50 bid 1.00 asked)			
65	49½	6	9.2	Do. pref.	....	(55 bid — asked)			
4½	2½	20c	5	Harding Carpet	2620	4	4	4	4
*5	2½	.	...	Hillcrest Coll.	....	(2 bid 4 asked)			
2	1¾	.	...	Do. pref.	12	1¾	2	2	2
15	7	50c	3.5	Hinde & Dauch	1125	13½	14½	13	14
20	20	.	...	Holt Renfrew	....	(— bid 20 asked)			
40	35	.	...	Do. pref.	20	40	35	35	35
12	9	.	...	Honey Dew	24	10	12	11	12
18½	8½	.	...	H. Smith Pap.	1850	17	18½	16½	18½
96½	88	6	6.3	Do. pref.	11	95	96	95	95
15½	10	1	6.9	Humberstone S.	15	11½	14½	14½	14½
5	1	.	...	Hunts (A)	5	4	4	4	4
5	2	.	...	Do. (B)	10	4	2½	2½	2½
70½	60	4	5.7	Huron & E. Mt.	10	65	70	70	70
10	8	80c	...	Do. 20% pd.	20	8	8¾	8¾	8¾
4½	3	20c	6.4	Hydro Electric	....	(1½ bid — asked)			
221	190	10	4.9	Imperial Bank	17	200	208	205	208
18¾	12¾	50+75c	6.8	Imperial Oil	14149	18½	18¾	18	18¾
17	12¾	40+22½c	4	Imperial Tob.	3605	15½	15¾	15½	15¾
8	6¾	6%	...	Do. pref.	10	7	6¾	6¾	6¾
33	23½	2+12½c	8.5	Indust. Accept	100	24½	25½	25	25½
35	20	3	...	Inter-City Bak.	....	(27 bid 35 asked)			
55	45	4+2	...	Inter'c Coal	....	(40 bid — asked)			
*126	119½	8	6.7	Do. pref.	....	(— bid 124 asked)			
22½	15	1.50	6.8	Inter. Bronze	720	21	22½	20½	22½
29½	20	1.50	5.1	Do. pref.	991	28	29½	28	29½
.30	.30	3c	...	Int. Coal & C.	....	(.25 bid — asked)			
b8½	3¾	.	...	Int. Hyd. E. A.	43	5½	5¾	5¾	5¾
13¾	3½	.	...	Int. Metal Ind.	2065	12½	13¾	13	13½
102	70	6+4.25▲6		Do. pref.	130	100	102	100	101
102	70	6+4.25▲6		Do. pref. A	86	97	102	100	102
107	104	5	4.8	Int. Mill., pf.	....	(106½ bid — asked)			
60½	42¾	2	4.2	Int. Nickel	6301	46½	49	47½	47¾
3¾	1½	.	...	Int. Paints	125	3	3	3	3
19	11¾	1+25c▲	5	Do. pref.	25	15	19	19	19
b14¾	6	.	...	Int. Pap. & P.	313	12½	14½	12¾	13½
b51¾	25½	.	...	Do. pref.	203	47	50¾	47½	49
29	18¾	1.50+50c	7	Int. Pete.	5743	28	29	28	28½
4	2	.	...	Int. Power	1	3½	3½	3½	3½
61	67½	6	8.6	Do. pref.	10	70	70	70	70
*11¾	10½	.	...	Int. St. Rlty. A.	....	(— bid 12 asked)			
*4	3½	.	...	Do. (B)	....	(— bid 4¾ asked)			
10	5	.	...	Int. Util. (A)	180	7	9	7	8½
1.00	.35	.	...	Do. (B)	6020	.60	1.00	.50	.75
				J, K, L					
40½	35½	2	5.1	Jam. Pub. Ser.	....	(40 bid — asked)			
133	129	7	5.4	Do. pref.	....	(— bid 133 asked)			
12	9	50c	5.3	Kelvinator	155	9½	9½	9½	9½
27	5	.	...	L. St. John Pr.	774	23	26½	24	26½
5½	½	.	...	Lake Sulphite	150	3	3½	3	3
28½	13	.	...	Lake of Woods	365	27	27	26½	26¾
126	112	7	5.7	Do. pref.	....	(123 bid — asked)			
65	39	4	10.2	Landed Bank	....	(35 bid 55 asked)			
16	9¾	70c	4.5	Lang, J. A.	135	16	16	15½	15½
*3	2½	.	...	Langley's	....	(— bid 1¾ asked)			
25½	20	1▲	...	Do. pref.	90	20	20	20	20
13½	10	80c	6.6	Laura Secord	1570	11	12¾	11¾	12½
9¾	4½	.	...	Legare, pref.	2995	8¾	9¾	8	8¾
5½	3	.	...	Lindsay, C. W.	....	(2¾ bid — asked)			
*78	66	.	...	Do. pref.	....	(— bid 54 asked)			
28½	22	1+25c	4.4	Loblaw (A)	1049	28	28½	28	28½
27	21	1+25c	4.7	Do. (B)	635	26½	27	26½	27
				M					
1.05	.45	.	...	Mackenzie Air.	425	.60	.60	.60	.60
3	2	.	...	MacKin. Steel	....	(6 bid 12 asked)			
65	55	7	...	Do. pref.	....	(61 bid — asked)			
20	8	.	...	Maclaren Pr. p.	1905	17¾	20	17¾	20
6	3½	.	...	M. L. Gardens	10	4	4½	4½	4½
8¾	5	70c	12.7	Do. pref.	5	7	5½	5½	5½
7	1	.	...	Maple Leaf	3963	6½	6¾	6	6
10½	2½	.	...	Do. pref.	1606	9¾	9¾	9	9
16	15½	70+2½c	...	Maritime Tele.	....	(16 June 27)			
17	16¾	70c	4.2	Do. pref.	....	(16¾ June 12)			
15¾	12	.	...	Marcus Loew's	....	(12 Sept. 28)			
*115	115	7+22.75▲		Do. pref.	....	(— bid — asked)			
9½	2¾	.	...	Massey-Harris	19385	8¾	9½	8½	8½
62½	29½	.	...	Do. pref.	2390	60½	62½	57	57½
9¾	5	.	...	McColl. Fron.	3724	8½	9¾	9	9
95	82½	6	6.4	Do. pref.	253	92¾	94½	93	93½
1.75	1.20	.	...	Melchers	290	1.50	1.75	1.60	1.75
6½	4	60c	...	Do. pref.	375	5½	6½	5½	6½
1½	1½	.	...	Mercantile Tran	....	(— bid — asked)			
5	5	3%	...	Do. pref.	....	(— bid — asked)			
*2½	2½	.	...	Mercury Mills	....	(— bid 2½ asked)			
25½	5½	.	...	Do. pref.	25	18	17½	17½	17½
52	50	2	4	Mitchell, J. S.	20	50	50	50	50
113	112	7	6.2	Do. pref.	....	(112 bid — asked)			
17½	6	.	...	Mitchell, Robt.	1435	16	17½	16	16
3½	1	.	...	Monarch Knit.	20	1	3½	3½	3½
52	19½	.	...	Do. pref.	....	(40 bid — asked)			
50	33	2	4	Montreal Cot.	15	40	50	45	50
101	98	7	6.9	Do. pref.	....	(101 bid — asked)			
1.50	.50	.	...	Mont. Is. Pr.	....	(.25 bid 2.25 asked)			
33	26	1.50	4.9	Mont. L. & Pr.	3739	30½	30½	29¾	29¾
51½	45½	.	...	Do. Notes	10	47	48	48	48
28	25	2	8	Montreal Loan	....	(22 bid — asked)			
1.00	.50	.	...	Mtl. Refrig. & S	....	(.50 Aug. 28)			
12¾	10	1.25	...	Do. pref.	....	(10 Aug. 28)			
60	50	3.20	6.4	Montreal Tele.	15	50	50	50	50
73	62	6	9.5	Montreal Trams	94	63	63	62	62
45½	35	1.60+40c	4.4	Moore Corp.	1511	44½	45½	44½	44½
182	150	7	3.8	Do. pref. (A)	182	150	182	180	182
240	208	7	3	Do. pref. (B)	....	(265 bid 270 asked)			
.10	.10	.	...	Muirheads	....	(— bid .50 asked)			
*4	2¾	.	...	Do. pref.	....	(— bid 3½ asked)			
				N, O					
43	31	2	5.9	Nat. Breweries	1776	34	34	33½	34
45½	35	1.75	4.5	Do. pref.	100	37½	38¾	38¾	38¾
7½	4½	.	...	Nat. Grocers	700	7¾	7¾	7¾	7½
25	23	1.50	6	Do. pref.	130	24½	25	24½	25
13½	8	.	...	N. Sew. Pipe A.	50	9½	9½	8½	9½
76½	39½	2	2.7	Nat. Steel Car.	6011	74	76½	73½	74
205	190	8	4.1	National Tr.	5	195	195	195	195
7½	7½	50c	6.9	Neon Inv.	....	(— bid 8½ asked)			
28	16	1	3.7	Niag. W. Weav.	300	25	27	27	27
1.25	.40	.	...	North Star Oil.	....	(.70 bid 1.50 asked)			
3¾	3	35c	10	Do. pref.	1025	3	3¾	3½	3½
95½	92	6	6.4	N. S. L. & Pr.	....	(91 bid — asked)			
107	102	6	5.7	Do. pref.	....	(105 bid — asked)			
*15	9	.	...	N. S. Steel, pf.	....	(— bid — asked)			
35¾	23	1	2.8	Ogilvie Flour	1627	35	35½	35	35
170	150	7	4.7	Do. pref.	....	(150 bid — asked)			
112	98½	5	5.1	Ontario Loan	....	(105 bid 115 asked)			
*7½	4¾	.	...	Ont. Silknit	....	(— bid 5 asked)			
20	7½	.	...	Do. pref.	10	19	20	20	20
14½	8	60c	4.3	Ont. Steel	145	12	14½	14	14
110	90	7	6.4	Do. pref.	....	(110 bid — asked)			
5	1½	.	...	Orange Crush	....	(3 bid 4½ asked)			
7¾	6½	70c	11.2	Do. pref.	100	7¾	6½	6½	6½
75	55	2	3	Ottawa Car	75	61	66	66	66
8½	4	.	...	Ottawa El. Rly.	10	5	5	5	5
15½	14	1	6.5	Ott. L. H. & Pr.	....	(15 bid 16 asked)			
102	98	5	5.1	Do. pref.	12	99	99	98	99
				P, Q, R					
18	10	3c	...	Pacific Coyle	....	(15 bid — asked)			
110	93	4	3.7	Page Hersey	150	108	110	107	108½
7¾	4¾	.	...	Pantepec Oil	50	6	6½	6½	6½
17¾	5	.	...	Paton Mfg.	25	17¾	17	17	17
115	100	7	6.1	Do. pref.	....	(125 bid — asked)			
63½	38	3	4.7	Penmans	315	63	63½	63	63
130½	115	6	4.8	Do. pref.	25	125	130	130	130
20	15	1	5.7	Photo Eng.	155	15	17½	17½	17½
101	95½	7	7.2	Porto Rico Pr. p	2	97½	98	98	98
12½	7	60c	5.1	Power Corp.	2730	10½	11¾	10½	11
105	96	6	6.1	Do. pref.	10	97	98	98	98
47	41	3	7.2	Do. 2nd pfd.	150	42½	42	42	42
13	5	.	...	Pressed Metals	896	11½	13	12	13
23	6½	.	...	Price Bros.	5797	20¾	23	21½	23
64	36	.	...	Do. pref.	85	62½	64	62½	62½
8	5½	20c	2.7	Prov. Transport	960	7¾	7½	7	7½
19	15	1	5.9	Quebec Power	70	16½	17½	17	17
6	2	.	...	Quebec Tele.	35	4½	4½	4½	4½
35	30	2	6.7	Real Estate L'n	2	33	30	30	30
7½	2	.	...	Regent Knit	660	6	7¾	6	7
21	17	.	...	Do. pref.	....	(17 bid 18 asked)			
2¾	2	30c	15	Reinhardt Brew	....	(2 bid 2½ asked)			
6½	1½	.	...	Reliance Grain	28	6	6½	5	6½
*12½	10½	60c	...	Remington R'd.	....	(10 bid — asked)			
28	22½	2	7.7	River S. Mill	25	26	26	26	26
4½	1¾	.	...	Rogers Majest.	341	3¾	4	2¾	2¾
11½	7	50c	...	Rolland Pap.	....	(13 bid — asked)			
18	6	50c	...	Do. Vot. Trust	160	18	18	17½	18
99	90	6	6.5	Do. pref.	50	90	92	90	92
193	140	8	4.5	Royal Bank	87	178	178	175	175
100	71	7	7	Russell Indust.	....	(112½ bid — asked)			
126	112	7	5.6	Do. pref.	....	(126¾ bid — asked)			
				S					
107½	100	5.50	5.4	Saguenay Pr. p.	5	102½	102½	102½	102½
22	17½	1	4.5	Sangamo	125	20	22	20	22
8	4	.	...	Sarnia Br. (A)	....	(7½ bid 11 asked)			
6	2	.	...	Do. (B)	....	(2½ bid 4 asked)			
23½	18½	90c	4	Shawinigan Pr.	3225	23	23½	22	23
14¾	10	.	...	Sher. Wms.	700	13	12¾	12	12½
115	103	7	6.8	Do. pref.	95	103	105	103	105
5	1½	.	...	Silverwoods	228	4	5	4½	5
7½	3½	40c	5.5	Do. pref.	630	6½	7½	6½	7½
9	7	60c	8	Simon & Son	100	7½	7¾	7¾	7¾
106	102	7	6.7	Do. pref.	....	(105 June 28)			
19	9½	.	...	Simpson, A.	35	18	19	18	18
6½	1½	.	...	Do. (B)	20	5½	6½	6½	6½
96	87	5+1	5.2	Do. pref.	70	94	96	95	96
138½	115	6	4.5	Simpson, R., pf.	12	133	134	134	134
12½	10	80c	6.9	So. Can. Pr.	310	12	12	11½	11½
112¾	106	6	5.5	Do. pref.	13	106	108½	108	108½
6½	1½	.	...	St. Law. Corp.	3890	5½	5¾	5¾	5¾
18½	6	.	...	Do. (A)	4415	17	18½	16¾	18½
32	17½	1+50c	.5	St. Law. Flour	....	(— bid 30 asked)			
125	111	7	6.1	Do. pref.	....	(113 bid — asked)			
49½	21	.	...	St. Law. Pap. p	1206	47	48½	46	47½
10½	3	50c	...	Stand. Chem.	....	(10¾ bid 11 asked)			
1	1	.	...	Stand. Clay	....	(— bid 2½ asked)			
3.50	.70	.	...	St. Pav. & Mat.	2485	.90	1.50	.90	1.25
5½	2½	.	...	Do. pref.	825	2½	5½	3	5
38	35	3	8.6	Stand. Steel, pf.	....	(37½ bid 41 asked)			
21½	16¾	60+40c	5.3	Stedman Bros.	100	19	19	19	19
89	66½	1.75‡	4.3	Steel of Can.	1233	86	88	86	88
85	66½	1.75	2.1	Do. pref.	787	83	84	83	83
4	2	.	...	Sterling Coal	25	4	3¾	3¾	3¾
.20	.15	.	...	Stop & Shop	....	(.20 bid .25 asked)			
10	8½	80c	8	Stuart, D.A. pf.	....	(10½ bid 14 asked)			
4½	2	.	...	Supersilk H. A.	69	2	2½	2½	2½
4½	2½	.	...	Do. (B)	8	3	4	4	4
85	71	5	...	Do. pref.	....	(— bid 80 asked)			
38½	32	1+50	4.7	Sup. Pete. ord.	....	(— bid 40 asked)			
37½	35	1+50	4	Do. com.	....	(34 bid 36 asked)			
				T, U, V					
13	10	80c	6.7	Tamblyn	250	12	12	11¾	12
54	52	2.50	4.8	Do. pref.	....	(52½ Aug. 30)			
4	2½	.	...	Thayers	....	(2¾ bid 4 asked)			
33	30	3.50	...	Do. pref.	....	(34 bid 37 asked)			
.25	.25	.	...	Thrift Stores	....	(.35 bid 1.00 asked)			
8	2½	.	...	Do. pref.	....	(6 bid 10 asked)			
14½	8½	60c	4.4	Tip Top Tailors	370	14	14	13½	14
109	95	7	6.7	Do. pref.	10	100	105	105	105
3½	½	.	...	Tooke Bros.	....	(1½ bid 3 asked)			
15½	5	.	...	Do. pref.	....	(8½ bid 14½ asked)			
29	10	.	...	Tor. Elevators	940	28	29	27½	28½
47	41½	2.62½	5.5	Do. pref.	....	(48 bid 50 asked)			
90	79	4	5	Tor. Gen. Tr.	22	84	81	80	80
113	95	6	6.2	Toronto Mtge.	....	(94 bid 96 asked)			
170	150	7	4.7	Tuckett Tob. p.	....	(150 bid 155 asked)			
3	2	.	...	Twin City	....	(2½ bid — asked)			
15½	11	80+20c	6.7	Union Gas	2915	14¾	15½	14¾	15
14½	11	60+15c	6.8	Un. Amuse. A	20	14½	11	11	11
14	10½	60+15c	7.2	Do. (B)	3	10½	10½	10½	10½
1.05	.90	.	...	Un. Cigar-W.	....	(.90 bid — asked)			
.75	.50	.	...	United Distill	....	(.50 bid .60 asked)			
38	25	3	8.6	United Fuel A	146	35	36	34	36
5¾	2¾	.	...	Do. B. pfd.	532	4¾	5¾	5	5
6½	4½	.	...	United Secs.	....	(5 bid 6 asked)			
7¾	3	.	...	United Steel	16395	7½	7¾	7½	7½
3¾	2	.	...	Viau Bisc.	111	3½	3¾	3	3½
55½	47	5	9.6	Do. pref.	....	(52 Oct. 13)			
				W, Y, Z					
33	12	1	3.2	Wabasso Cot.	365	25	33	31	31
51	33½	4	9.3	Walker-Good.	575	42½	43	42	42
20¾	16½	1	5.2	Do. pref.	1305	19½	19½	19	19½
1.40	.70	.	...	Walkerville Br.	300	1.00	1.10	1.00	1.05
*125	123	7	5.6	W. Koot. Pr. pf.	....	(— bid — asked)			
7½	2	.	...	West. C. Flour	980	6½	6½	6	6½
50	15	.	...	Do. pref.	85	44	48	45	45
50	45	3	6.2	West. Grocers	45	48	50	48	50
114	103½	7	6.6	Do. pref.	....	(106 bid — asked)			
11	10½	50c	4.5	W'minster Pap.	....	(11¾ bid — asked)			
12½	9¾	80c	6.5	Weston Ltd.	475	12	12½	11¾	12½
96	85	5	5.6	Do. pref.	75	88½	95	90	94
23½	17	1	4.3	Wilsils	990	23	23½	22½	23
3½	1	.	...	Winnipeg El. A	8796	2½	3½	2½	2¾
3½	1	.	...	Do. (B)	1145	2½	3½	2½	2¾
15	6	.	...	Do. pref.	664	10	15	10	14
70	60	7	...	Wood, A. & J. p	5	67½	70	70	70
50	17½	.	...	Woods Mfg. pf.	205	46	40	40	40
7½	4	.	...	York Knitting	217	5	7½	6½	6½
100	100	7	7	Do. 1st pref.	....	(100 Jan. 4)			
9	7	.	...	Zellers	600	8	8½	8½	8½
25	22	1.50	6.5	Do. pref.	75	22½	23	22½	22½

Quotations: *1938. *1937.
▲ On account of arrears. b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1939.
†Interim.

Mining Stocks

Week Ending October 23.

Par Val.	Range 1939 High	Low	Company	Sales	Close (Oct. 16 or last)	High for week	Low for week	Close Oct. 23
			A					
1	.04	.01½	Afton	4,000	.01½	.01½	.01½	.01½
No	.65	.24	Aldermac	12,250	.40	.41	.40	.40
1	.01½	.00¾	Alexandria	......	(.00¾ bid .01 asked)			
1	.17	.04½	Amm. Gold	37,350	.06	.08	.06	.08
No	3.25	2.00	Anglo-Huronian	308	2.18	2.25	2.15	2.15
No	.02½	.01	Arno	......	(.01 bid .02 asked)			
1	.17½	.05½	Arntfield	62,575	.06	.15	.05½	.10
1	.10½	.04½	Ashley	1,900	.04½	.07½	.06	.07½
1	.06½	.01	Astoria Quebec	1,000	.02½	.02½	.02½	.02½
1	2.87	1.65	Aunor Gold	18,385	1.98	2.06	1.95	2.01
			B					
1	.23	.06	Bagamac	1,875	.08	.07	.06	.07
1	.38	.15	Bankfield	1,865	.18	.20	.17	.19½
No	.34	.10	Base Metals	2,800	.22	.22½	.20	.22½
1	.32	.05	Bear Exploration	9,500	.06½	.05½	.05½	.05½
No	1.40	.92	Beattie Gold	3,100	1.05	1.08	1.03	1.08
1	.16½	.07½	Beaufor	1,600	.15	.16	.15	.15
1	.30	.09¾	Bidgood Kirk	47,162	.14½	.19	.14½	.17
1	.35	.08	Big Missouri	939	.11	.13	.10	.11
1	.22	.05½	Bobjo	36,100	.07½	.10	.07½	.10
1	.12	.04	Bouscadillac G.M.	......	(.03½ bid .04½ asked)			
No	12.50	9.10	Bralorne	1,350	10.50	10.50	10.25	10.25
1	.08	.03	Brazil Gold	2,000	.05	.04½	.03	.04½
1	.03½	.01	Brett Trethewey	3,000	.01½	.01	.01	.01
1	.75	.19	Broulan Porc.	62,210	.28½	.34	.27	.34
1	15.50	5.75	Buffalo Ankerite	7,323	8.25	8.50	6.70	7.00
No	.05	.01	Buffalo Can.	6,994	.02	.02	.01	.01
5	28.00	17.75	Bulolo Gold	400	19.00	21.00	20.00	21.00
No	.11½	.02	Bunker Hill	1,000	.03	.02½	.02½	.02½
			C					
No	1.03	.48	Can. Malartic	3,450	.57	.60	.55	.55
1	.03½	.01	Capital Rouyn	......	(.01 bid .01½ asked)			
1	2.40	1.70	Cariboo Gold	1,300	2.03	2.05	2.00	2.05
1	.06	.01½	Cartier Malartic	......	(.02 bid .03 asked)			
1	1.05	.50	Castle Trethewey	700	.55	.70	.62½	.62½
1	.25½	.09	Cen. Cadillac	60,200	.11½	.19½	.12½	.18
1	2.75	1.91	Cen. Patricia	5,800	2.33	2.35	2.30	2.35
1	.14½	.05	Cen. Porcupine	5,500	.06	.07½	.07	.07
1	.25	.15	Century Mining	......	(.10 bid .15 asked)			
1	1.39	.62	Chesterville	23,650	.66	.78	.68	.75
No	.88	.40	Chromium	22,300	.73	.73½	.65	.65
5	4.50	1.50	Coast Copper	......	(2.25 bid 2.80 asked)			
5	2.00	1.25	Coniagas	100	1.60	1.35	1.35	1.35
No	2.34	1.10	Coniaurum	10,225	1.35	1.50	1.35	1.50
1	.30	.10	Con. Chibougamau	80	.13	.10	.10	.10
5	61.25	37.50	Cons. Smelters	1,810	51.00	51.75	50.25	50.25
			D, E					
1	.17	.05	Denison Nickel	5,000	.13	.14	.09	.09
No	34.25	23.00	Dome Mines	4,561	28.00	28.75	28.00	28.50
1	.03½	.02	Dom. Explorers	500	.02	.02	.02	.02
1	.09½	.03	Dorval Siscoe	1,000	.03½	.03½	.03½	.03½
1	.08	.01½	Duparquet	2,000	.01½	.01½	.01½	.01½
1	.27	.05	Duquesne	2,500	.07	.08	.05	.08
1	2.85	2.00	East Malartic	21,978	2.52	2.75	2.52	2.73
1	2.36	.74	Eldorado	12,425	1.10	1.30	1.14	1.30
			F, G					
No	6.75	4.50	Falconbridge	4,275	4.80	4.85	4.55	4.85
1	.08½	.02	Federal	15,400	.02½	.04	.02½	.03
1	.17	.02½	Fernland	1,000	.03½	.03	.02½	.03
No	.77	.15	Francoeur Gold	15,000	.33	.37	.33	.35
1	.11½	.04	Gillies Lake	8,900	.05	.05½	.05	.05½
1	.05	.01½	Glenora	2,000	.01½	.02	.02	.02
No	.58	.20	God's Lake	70,831	.46	.58	.46	.58
1	.28	.15	Goldale	6,000	.18	.19	.18	.18½
50c.	.63	.19	Gold Belt	......	(.... bid .30 asked)			
1	.16	.04½	Gold Eagle	3,600	.14	.15	.13	.13
1	.03½	.01	Goodfish	9,000	.01½	.01	.01	.01
1	.04	.01½	Graham Bosquet	......	(.01½ bid .02½ asked)			
No	.07	.04½	Grandora	1,500	.06	.06	.06	.06
1	.02½	.01½	Grull Wihksne	......	(.01½ bid .... asked)			
1	.64	.35	Gunnar Gold	10,725	.49	.52	.49	.52
			H, I, J					
1	.03½	.00¾	Halcrow Swayze	......	(.01½ bid .01½ asked)			
1	.08	.01½	Halliwell Gold	5,200	.01½	.02½	.01½	.02
1	1.95	.70	Hard Rock	28,920	1.00	1.12	1.00	1.12
1	.10	.04	Harker	2,400	.05½	.06	.05½	.05½
1	1.58	.28	Hedley Mascot	1,000	.40	.45	.42	.42
5	15.50	12.00	Hollinger	4,680	14.25	14.63	14.25	14.50
1	.37	.22	Howey Gold	5,800	.30½	.32	.31	.31
No	40.00	25.50	Hudson Bay	3,133	32.00	34.25	32.50	34.25
1	.45	.15	Inspiration	4,500	.20	.28	.20	.25
1	9.87	7.00	Inter. Mining	......	(9.87 Sept. 5)			
No	60.12	42.75	Int. Nickel	6,301	48.50	49.00	47.50	47.75
50c.	1.26	.70	Island Mountain	......	(.75 bid .95 asked)			
1	.11½	.02	Jacola	......	(.02½ bid .04½ asked)			
1	.50	.16½	Jack Waite	500	.45	.35	.35	.35
1	.22	.05	Jellicoe	2,766	.07	.08½	.07	.08½
1	.11	.02	J. M. Cons. Gold	7,700	.02½	.03	.02½	.03
1	.06½	.02	Joliet Quebec	2,500	.02	.02	.02	.02
			K, L					
1	2.14	1.47	Kerr Addison	16,805	1.79	1.85	1.77	1.85
1	.65	.30	Kerr Lake	100	.30	.50	.50	.50
1	.10	.01½	Kirk Gold Rand	......	(.02 bid .... asked)			
1	.73	.20	Kirk. Hud. Bay	200	.20	.20	.20	.20
1	1.75	1.00	Kirkland Lake	21,650	1.23	1.39	1.25	1.33
1	.13½	.06	Kirk. Townsite	......	(.06 bid .07 asked)			
1	50.50	30.75	Lake Shore	2,718	36.25	37.00	35.50	37.00
1	7.30	5.50	Lamaque Gold	1,797	6.35	6.40	6.25	6.40
1	.54	.10	Lapa Cadillac	21,000	.11½	.13½	.11½	.13
1	.85	.59	Lava Cap	100	.75	.80	.80	.80
1	.08½	.01¾	Lebel Oro	45,499	.02½	.03	.01¾	.02½
1	.90	.58	Leitch Gold	15,600	.74	.82	.75	.80
No	3.60	2.30	Little Long Lac	3,960	2.90	2.98	2.92	2.95
			M					
1	5.95	3.50	Macassa	5,132	4.00	4.25	4.05	4.20
1	3.20	1.30	MacLeod Cockshutt	16,810	1.89	1.98	1.85	1.89
1	.55	.22	Madsen Red Lake	33,400	.31½	.40	.32	.37½
1	.75	.35	Malartic Gold	43,610	.51	.70	.52	.69
No	.23	.08	Mandy	2,000	.14	.15	.14	.15
No	.02½	.00¾	Man. & Eastern	3,000	.01	.01¾	.01¾	.01¾
1	.07	.01	Maralgo	......	(.02½ bid .04 asked)			
5	59.63	45.00	McIntyre	2,336	52.75	57.50	52.00	57.50
1	1.38	1.00	McKenzie R. L.	16,382	1.17	1.21	1.14	1.18
1	.20½	.06	McVittie Graham	4,000	.10	.10½	.10	.10
No	.75	.35	McWatters	11,700	.60	.64	.58	.60
5	.35	.30	Mentor Exploration	......	(.... bid .39 asked)			
No	2.05	1.00	Mining Corp.	2,168	1.20	1.31	1.25	1.30
No	.03	.01½	Minto Mines	......	(.02 bid .02½ asked)			
1	1.45	.65	Moneta	9,570	.87	.90	.87	.90
1	.20	.04	Morris Kirk	25,069	.05	.05½	.04½	.05
1	.02½	.01	Murphy	......	(.01 bid .01½ asked)			
			N, O					
1	.51½	.08½	Naybob	41,000	.11	.15½	.10½	.13½
No	.09	.02	Newbec	3,000	.03½	.03½	.03	.03½
1	.25	.05	New Golden Rose	......	(.09 bid .16 asked)			
1	.60	.20	New True Fissure	23,000	.44	.47	.40	.46
5	1.80	1.00	Nipissing	900	1.20	1.16	1.15	1.15
No	84.00	69.00	Noranda	4,364	75.50	78.25	74.87	78.00
No	.60	.40	Nor. Canada	......	(.50 bid .58 asked)			
1	.06½	.02	Norgold	4,000	.02	.03	.02½	.02½
1	.95	.30	Normetals	1,780	.60	.56	.50	.50
1	9.50	7.50	Northern Empire	300	7.50	9.00	8.75	9.00
1	3.25	1.20	O'Brien	5,175	1.80	1.90	1.80	1.85
1	.53	.20	Omega	500	.22	.23	.23	.23
1	.52½	.15	Oro Plata	1,500	.31	.33	.28	.28
1	.14	.07	Osisko	......	(.06 bid .10 asked)			
			P, Q, R					
No	4.85	1.65	Pamour	9,010	1.90	2.30	1.95	2.20
1	.16	.02½	Pandora	1,200	.04	.05	.03½	.03½
1	2.55	2.00	Pato Cons. G.	400	2.10	2.40	2.40	2.40
1	.07½	.02½	Partanen Mal.	......	(.02½ bid .04 asked)			
1	.02	.00¾	Pawnee Kirk	......	(.00¾ bid .01½ asked)			
1	.61	.28	Paymaster	25,800	.33	.37	.32	.34
1	3.95	1.01	Pend Oreille	3,640	2.80	2.95	2.75	2.75
1	2.05	1.40	Perron Gold	7,890	1.80	1.98	1.80	1.88
1	5.60	3.50	Pickle Crow	4,080	4.30	4.40	4.30	4.40
1	2.70	2.00	Pioneer Gold B.C.	6,270	2.25	2.45	2.25	2.35
100	14.50	10.00	Placer Devel.	500	10.00	10.00	10.00	10.00
1	2.45	1.18	Powell Rouyn	6,400	1.70	1.80	1.70	1.74
1	2.40	1.10	Premier Gold	800	1.35	1.50	1.38	1.48
1	1.75	1.10	Preston E. Dome	86,960	1.53	1.71	1.53	1.69
No	.58	.40	Prospectors Air's	......	(.... bid .49 asked)			
1	.65	.24	Quebec Gold	......	(.26 bid .39 asked)			
No	.15	.04	Quemont	......	(.05 bid .12 asked)			
No	.09	.02½	Red Crest	......	(.02 bid .04½ asked)			
1	.56	.20	Reno Gold	4,900	.53	.52	.50	.50
1	.59	.20	Reeves McDonald	......	(.30 bid .40 asked)			
1	.01¾	.00¾	Robb Montbray	......	(.00¾ bid .00¾ asked)			
1	.11¾	.03½	Roche Long Lac	13,700	.04½	.05½	.04	.05½
			S					
1	2.03	1.18	San Antonio	8,045	1.77	1.80	1.68	1.75
1	.17	.05	San River	5,800	.08	.12½	.09	.12
1	.51	.17	Senator Rouyn	22,900	.25	.31	.25	.31
1	.04½	.02	Shawkey	......	(.02 bid .03 asked)			
50c.	1.25	.90	Sheep Creek	2,000	1.12	1.15	1.10	1.15
1	2.00	.75	Sherritt Gordon	20,825	1.27	1.35	1.26	1.30
1	7.70	5.20	Sigma Mines	641	6.50	6.75	6.25	6.25
1	1.65	.80	Siscoe	35,170	.91	.92	.82	.83
1	.80	.21	Sladen Malartic	8,100	.32	.37	.33	.34
1	.13	.02½	Slave Lake	78,600	.06½	.11	.08	.11
No	1.03	.25	Stadacona	100,734	.42	.42	.40	.40
1	.15½	.06½	St. Anthony	12,600	.10½	.11½	.10	.11½
No	1.84	1.50	Steep Rock Iron	48,461	......	1.84	1.50	1.78
No	.11	.02½	Straw Lake	7,300	.03	.03½	.02½	.03½
1	.24½	.09	Sturgeon River	1,200	.11	.11	.10½	.11
No	3.00	1.70	Sudbury Basin	975	2.05	2.17	2.10	2.15
1	.14½	.04	Sudbury Contact	1,100	.04	.07	.05	.07
1	1.01	.58	Sullivan Cons.	3,100	.80	.83	.75	.76
1	3.55	2.70	Sylvanite	4,520	3.00	3.15	3.05	3.05
			T, U, V, W, Y					
1	4.70	3.75	Teck Hughes	6,630	4.00	4.10	3.90	4.05
1	.14½	.04½	Temiskaming	1,500	.05	.05½	.05	.05½
1	2.30	1.25	Toburn Gold	100	1.50	1.56	1.56	1.56
1	.44	.19	Towagmac	900	.30	.30	.28	.28
1	1.65	.65	Uchi Gold	15,650	.80	.79	.73	.75
...	97.75	86.00	Do., Bonds	4,500	90.00	92.00	92.00	92.00
1	.71	.52	Upper Canada	26,864	.60	.71	.59½	.69
No	5.80	3.75	Ventures	2,035	4.10	4.50	4.10	4.45
No	8.25	5.00	Waite Amulet	2,726	6.20	6.10	5.85	6.10
1	.15	.06½	Wendigo	700	.06½	.09	.09	.09
No	.01½	.00¾	White Eagle	......	(.00¾ bid .... asked)			
1	.08½	.01½	Whitewater Mines	12,000	....	.04½	.04½	.04½
1	.08½	.02	Wiltsey Coughlan	......	(.02½ bid .03 asked)			
1	.19	.08	Wood Cadillac	12,100	.14	.14	.12	.14
No	8.90	6.70	Wright-Hargreaves	9,010	7.80	8.10	7.75	8.00
No	.09	.03	Ymir Girl	6,000	.04½	.05½	.04½	.05½

Oil Stocks

Par Val.	Range 1939 High	Low	Company	Sales	Close (Oct. 16 or last)	High for week	Low for week	Close Oct. 23
No	.10	.04	Acme Gas & Oil	1,500	.07	.06½	.06	.06
1	.30	.10	Alta. Pac. Cons.	1,240	.25	.24	.20	.22
1	.30	.15	Ajax	4,400	.17	.22	.17	.17
No	1.52	.60	Anglo Canadian	97,650	1.07	1.27	1.07	1.18
No	.15½	.07½	Anaconda	......	(.10 Sept. 18)			
No	.21½	.06	Br. Dominion	8,950	.19	.19	.16½	.16½
No	.33	.13	Brown Oil	16,250	.22½	.26	.22½	.23
100	65.00	35.00	Do., pref.	......	(50.00 bid 62.00 asked)			
No	2.80	1.11	Calgary & Ed.	16,215	2.40	2.63	2.40	2.47
1	.65	.20	Calmont	17,597	.43	.50	.42	.46
No	.55	.24	Commoil	4,000	.45	.40	.36	.39
No	.36	.21	Common Pete	350	.25	.24	.24	.24
No	.75	.25	Dalhousie	10,205	.60	.65	.60	.60
No	.60	.18	Davies Pete	18,800	.32	.35	.30	.31
No	.13	.04½	East Crest	2,500	.07	.07	.06½	.07
No	.37	.19½	Extension Oil	11,500	.26	.26	.24½	.24½
25c	.13	.07	Firestone Pete.	3,000	.10	.10	.09½	.10
No	1.45	.40	Foothills	1,900	.75	.85	.72	.72
25c	.14½	.06½	Foundation Pete	1,100	.12	.11	.11	.11
50c	.08	.06½	Grease Creek Pete	......	(.08 Sept. 13)			
No	.20	.10	Hargal	......	(.18 bid .... asked)			
No	.26	.08	High Sarcee	6,800	.23	.24	.21	.21
No	3.75	1.23	Home	42,345	2.75	2.98	2.74	2.85
1	.26½	.05	Homestead O.&G.	17,000	.07½	.08½	.07	.08½
No	.23	.08	McD. Segur	510	.15	.13	.13	.13
No	.07	.03	Merland	500	.04	.04	.04	.04
1	.48	.20	Model	......	(.25 bid .35 asked)			.08
25c	.12½	.06	Monarch Royalties	2,500	.09½	.08½	.08	.06½
1	.13	.04	Nordon	600	.06½	.06½	.06½	.06½
No	.03½	.01½	Oil Selections	1,500	.02½	.02½	.02½	.02½
No	1.73	.67	Okalta	9,725	1.30	1.42	1.29	1.29
1	.12	.03	Pacalta	9,000	.06	.06½	.06	.06
1	.30	.25	Petrol Oil & Gas	......	(.25 bid .50 asked)			
25c	.25	.17	Prairie Royalties	......	(.22 bid .24 asked)			
No	45.63	26.00	Royalite	2,085	40.50	42.00	40.00	41.00
No	.75	.25	South West Pete	......	(.40 bid .60 asked)			
No	.11½	.04	South End	......	(.05 bid .10 asked)			
No	1.30	.60	Texas Can.	14,185	.90	.92	.66	.69
No	.15½	.07	United Oils	500	.09	.10	.10	.10
No	1.00	.35	Vulcan	1,220	.55	.60	.35	.35
No	.08½	.04	West Flank	1,500	.06	.05	.04	.04

Vancouver Stocks

Par Val.	Range 1939 High	Low	Company	Sales	Close (Oct. 16 or last)	High for week	Low for week	Close Oct. 23
1	.30	.10	Big Missouri	9,900	.12	.13	.11½	.13
25c	.01½	.01	Bluebird	......	(.00¾ bid ... asked)			
No	12.50	9.00	Bralorne	1,350	10.40	10.50	10.25	10.25
1	.03½	.02	Bridge River Cons.	......	(.01½ bid ... asked)			
1	2.40	1.70	Cariboo Gold	3,700	2.00	2.00	2.00	2.00
No	.06½	.01½	Dentonia	2,500	.02	.02	.02	.20
No	.07	.01½	Fairview Amal.	3,350	.02½	.02	.01½	.01½
1	.01¾	.00¾	Federal Gold	......	(.00¾ bid .01 asked)			
1	.40	.20	George Copper	100	.30	.25	.25	.25
1	.10	.03	Golconda	......	(... bid .09 asked)			
50c	.62	.15	Gold Belt	3,700	.31	.32	.29	.29
50c	.19	.03½	Grandview	3,000	.10	.11½	.11	.11
1	.03½	.01	Grull Wihksne	1,000	.01	.01½	.01½	.01½
1	1.54	.26	Hedley Mascot	10,400	.42	.44	.40	.44
No	.01	.00¾	Home Gold	......	(.00¾ bid .00¾ asked)			
1	.01½	.00¾	Indian Mines	......	(.01 bid ... asked)			
50c	1.40	.75	Island Mountain	500	.85	.85	.85	.85
1	.34	.27	Inter'tl Coal	......	(.27 bid .30 asked)			
50c	1.55	.60	Kootenay Belle	100	.73	.70	.70	.70
10c	.05	.01	Lucky Jim	28,300	.03	.03½	.03	.03
No	.02	.00¾	Mak Siccar	......	(.00¾ bid ... asked)			
10c	.70	.28	Metaline Mining	......	(.70 Sept. 27)			
1	.23	.21	McGillivray Creek	......	(.23 bid ... asked)			
No	.03	.01	Minto Mines	......	(.01½ bid .02 asked)			
50c	.04½	.02	Nicola	14,000	.02½	.03½	.03	.03
50c	.05	.01	Noble Five	2,000	.02	.02½	.02	.02
1	.22	.10	Pacific Nickel	......	(.13 bid ... asked)			
1	4.00	1.20	Pend Oreille	570	2.90	2.90	2.70	2.70
No	.00¾	.00¾	Pilot Gold	......	(.00¾ bid ... asked)			
1	2.70	2.10	Pioneer Gold	2,000	2.20	2.40	2.22	2.30
50c	.04	.00¾	Porter Idaho	2,000	.02½	.02½	.02½	.02½
No	.01½	.00¾	Premier Border	2,000	.00¾	.00¾	.00¾	.00¾
1	2.40	1.12	Premier Gold	3,675	1.36	1.48	1.32	1.47
No	1.45	.80	Privateer Mines	5,100	.90	.90	.87	.87
1	.04¾	.02	Quatsino Copper	1,000	.03½	.04	.04	.04
50c	.01½	.01½	Red Hawk	......	(.01½ Feb. 11)			
1	.15½	.09	Relief Arlington	1,500	.13	.13½	.13½	.13½
No	.60	.18	Reeves McDonald	700	.34	.35	.35	.35
1	.58	.22	Reno Gold	10,123	.54	.52	.35	.52
1	.02	.00¾	Rufus Argenta	......	(.00¾ bid .01 asked)			
1	.09	.02	Sally Mines	100	.06½	.05	.05	.05
50c	.12	.03	Salmon Gold	1,000	.03	.03	.03	.03
50c	1.25	.91	Sheep Creek	4,000	1.12	1.15	1.12	1.13
1	1.85	.95	Silbak Premier	510	1.10	1.01	.99	1.00
No	.02	.00¾	Silvercrest	1,000	.01½	.00¾	.00¾	.00¾
1	.15	.08	Sunloch	......	(.10 bid ... asked)			
50c	.27	.13	Surf Inlet	......	(.15 Oct. 5)			
No	.06½	.02½	Taylor Bridge	......	(.02½ bid .04 asked)			
No	.06½	.02½	Vidette Gold	2,000	.04	.03½	.03½	.03½
50c	.02½	.00¾	Waverley Tangier	1,000	.00¾	.01½	.01½	.01½
20c	.03½	.00¾	Wellington	......	(.01½ bid ... asked)			
50c	.01½	.00¾	Wesko	......	(.00¾ bid .00¾ asked)			
1	.09	.01½	Whitewater	10,000	.06	.04½	.04	.04½
No	.08	.03½	Ymir Yankee Girl	7,000	.04½	.04½	.04½	.04½

Oil Quotations

Par Val.	Range 1939 High	Low	Company	Sales	Close (Oct. 16 or last)	High for week	Low for week	Close Oct. 23
1	.30	.11	Alta. Pac. Cons.	1,375	.20	.23	.21	.21
1	.01	.00¾	Amalgamated	......	(.00¾ bid .01 asked)			
No	1.52	.60	Anglo Canadian	17,650	1.06	1.27	1.09	1.20
No	.16	.05	Anaconda	7,700	.09½	.10	.08½	.08½
No	.08	.04	Associated Oil	1,000	.05	.04	.04	.04
No	.04	.01	Baltac	......	(.03 bid .03½ asked)			
No	.19½	.06	Brit. Dominion	......	(... bid .19 asked)			
No	.33	.14	Brown Oil	3,000	.23	.23½	.22	.23
No	2.75	1.15	Calgary & Ed.	12,540	2.37	2.64	2.45	2.50
1	.64	.21	Calmont	9,000	.41	.48	.43	.46
No	.58	.26	Commoil	......	(.36 bid .40 asked)			
1	.36	.21½	Commonwealth	......	(.25½ bid ... asked)			
No	.68	.33	Dalhousie	......	(.60 Oct. 13)			
No	.59	.24	Davies Pete	2,000	.32	.32	.32	.32
No	.12	.04½	East Crest	......	(.07½ bid ... asked)			
No	.26½	.18	Extension	4,500	.24½	.25½	.25	.25
25c	.13	.07	Firestone	2,000	.09½	.10	.10	.10
No	1.40	.55	Foothills	......	(.70 bid ... asked)			
No	.17½	.02	Freehold	......	(.02½ bid .03½ asked)			
25c	.13	.09	Foundation Pete.	......	(.11 Sept. 16)			
No	.15½	.08½	Four Star	1,500	.14	.13½	.13	.13
No	.21	.08½	Hargal	3,500	.18	.21	.20	.21
No	.35	.15	High Sarcee	600	.21	.22	.21½	.21½
No	3.75	1.22	Home Oil	5,560	2.75	2.95	2.80	2.90
No	.07½	.02	Madison	2,000	.03½	.04	.03½	.04
No	.09	.02½	Marjon Oil	25,000	.04½	.04½	.04½	.04½
No	.22½	.09	McD. Segur Ex.	3,200	.15½	.16½	.15	.16
1	.22	.06	McLeod	......	(.12 bid ... asked)			
No	.13	.05½	Mercury	1,000	.08½	.08	.08	.08
No	.07½	.03½	Mill City Oil	......	(.05½ Oct. 13)			
No	.10	.04½	Midwest Pete	......	(.10 Sept. 26)			
1	.49	.20	Model	500	.25	.30	.30	.30
25c	.11	.06	Monarch Royal.	500	.09	.09	.09	.09
25c	.16½	.08	National Pete	200	.12½	.13	.13	.13
1	.12	.05	Nordon	......	(.06 bid .07 asked)			
No	1.70	.66	Okalta	3,000	1.30	1.40	1.32	1.32
No	.12	.03	Pacalta Oil	1,000	.06	.06	.06	.06
1	.52	.37	Pacific Pete	28,700	.37	.52	.43	.49
25c	.24½	.17	Prairie Royal	2,300	.24	.24	.23½	.23½
No	.13½	.09½	Royal Crest	......	(.12½ bid .13 asked)			
No	45.00	29.00	Royalite	2	40.00	40.00	40.00	40.00
No	.23	.18	Royal Canadian	54,500	.20	.23	.21	.22½
No	.11½	.02½	South End	4,000	.05½	.06	.06	.06
No	.75	.25	Southwest Pete	500	.42	.45	.45	.45
1	.12	.04	Spooner	......	(... bid .12 asked)			
25c	.41	.30	Sunset Oil	2,200	.38	.40½	.40	.40
No	.16½	.06½	United	2,000	.10	.16½	.10	.10
No	.13	.04½	Vanalta	1,800	.07½	.07½	.07½	.07½
1	.90	.35	Vulcan	400	.55	.56	.55	.55
No	.07½	.05	West Flank	......	(.05 Aug. 12)			

Winnipeg Stocks

(Transactions from Oct. 16 to Oct. 21)

	Sales	High for period	Low for period	Close Oct. 21
Beresford Lake	1,000	.19	.19	.19
Central Manitoba	1,000	.04	.03¾	.03¾
Federal Grain	50	3.00	3.00	3.00
Do., pref.	280	41.75	38.50	41.75
Monarch Life	25	23.00	23.00	23.00
Packsack	500	.03½	.03½	.03½
Shenago	800	.04¼	.04¼	.04¼
Sachigo River	150	5.50	5.37	5.37
United Grain	3	7.25	7.25	7.25
Western Grain, pfd.	70	8.50	8.50	8.50
Western Steel	219	10.25	9.37	10.25
Wings	200	.26	.26	.26
Wingold	2,500	.04¾	.04½	.04¾

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire	75	..
Beav. Lumber, c.	2¼	..
Do., pref.	..	97
Can. Indemnity	125	..
Dom. Envelope	2	2¾
Do., pref.	97	99
Home Invest.	10	13
N. Can. Mtge., pf.	2½	..
North. Mtge.	1½	..
North. Trusts	6	..
Rel. Grain, p.	50	..
Traders Bldg.	55	..
West. Brew.	1.45	1.60

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Oct. 24	38,600	40,100	436,000	56,920
Oct. 23	54,800	27,500	388,000	39,340
Oct. 21	22,200	13,500	191,000	82,388
Oct. 20	47,400	58,900	318,000	34,350
Oct. 19	71,500	59,200	439,000	47,870
Oct. 18	84,400	82,200	438,000	79,225

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Oct. 24, 1939

% Due	Bid	Ask	Approx. Yld.
Dominion of Canada Bonds			
1½ June '40	99¾	100½	.75
4½ Sept. '40	102½	103	1.20
1 Mar. '41	99	99¾	1.15
5 Nov. '41	106	106¾	1.62
1½ May '42	98½	99½	1.80
2 June '42	100	100¾	1.70
3 Oct. '42	102½	103	1.96
2½ June '43	100½	101½	2.12
5 Oct. '43	108½	109½	2.55
2 June '44	98½	99½	2.17
a2½ Jan. '44	95¾	96¾‡	3.06
4½ Oct. '44	108	108¾	2.61
2½ Nov. '44	99¾	100½	2.40
a2½ Aug. '45	95½	96½‡	3.21
4 Oct. '45	104	104¾	b2.74
4½ Feb. '46	108½	109½	2.86
3½ June '49	99½	100½	b3.20
3½ Oct. '49	100½	101½	b3.23
3½ Nov. '51	99	99¾	3.30
a5 May '52	103½	‡104½	b3.10
4 Oct. '52	103¾	104½	b3.35
3 June '55	95½	96	3.32
4½ Nov. '56	106¾	107½	b3.30
4½ Nov. '57	107	107¾	b3.39
3 June '58	94¾	95½	3.32
4½ Nov. '58	107½	108½	b3.42
4½ Nov. '59	108½	109	b3.43
a4 Oct. '60	99	100‡	4.00
a3½ Jan. '61	89¾	90¾	3.89
3½ June '66	96½	97½	3.41
a3e Jan. '67	86½	87½‡	3.75
a3e Nov. '68	86	87‡	3.74
a3† Perpet'l.	88	88¾	3.38
Dominion Guaranteed Bonds			
Can. Nat'l. Railways:			
2 Feb. '43	99	99¾	2.06
2½ Jan. '46	96½	97½	2.73
3 May '44	101½	102½	2.47
3 Dec. '50	96½	97½	3.29
3 Feb. '53	95½	96½	3.35
3 Jan. '59	94	95	3.35
*4½ Sept. '51	111	112	3.28
*4½ Feb. '56	111¾	112¾	3.48
c4½ July '57	111¾	112¾	3.53
*4½ June '55	114	115	3.52
5 Feb. '54	114½	115½	3.62
*5 July '69	112¾	113¾	b2.85
*5 Oct. '69	115½	116½	b3.45
*5 Feb. '70	115½	116½	b3.50
Provincial Gov't. Bonds			
New Brunswick:			
3 Oct. '51	88½	90½	4.00
3½ Aug. '49	91½	93½	4.05
3½ June '56	90	92	4.16
c4 Nov. '47	99½	101½	3.81
c4½ Apr. '61	104	106	4.07
c5 Jan. '60	107	109	4.33
Nova Scotia:			
3 Jan. '52	92½	94½	3.55
3½ June '56	94	96	3.57
3½ Nov. '50	97½	99	3.61
c4½ Sept. '52	105	107	b3.48
c4½ Nov. '60	106	108	3.94
c5 Mar. '60	111	113	4.06
Ontario:			
2½ May '45	98½	100½	2.40
3 Apr. '48	96½	98½	3.20
3 Nov. '50	95½	97½	3.27
3½ Nov. '51	97½	99½	3.30
*4 June '62	105	107	3.55
4½ June '50	108½	109½	3.47
*4½ Jan. '62	110	112	3.71
5 Oct. '48	111½	112½	3.41
*5 Dec. '60	114½	116½	3.86
5½ July '46	112	113	3.30
Ont. Hydro Commission:			
3 Aug. '48	96½	98½	3.20
3½ Feb. '53	97½	99½	3.30
3½ Apr. '47	100	101½	3.26
Prince Edward Island:			
3 Oct. '45	95	98	3.36
Quebec:			
3 Nov. '47	92	93½	3.95
3 Nov. '51	89	91	3.95
3½ Mar. '48	93	95	3.96
3½ June '52	90	92	4.05
4 Mar. '52	96½	98½	4.13
4½ Aug. '58	98	100	4.25
4½ Jan. '63	101	103	4.30
Alberta:			
4 Dec. '54	60	64	d
4½ Oct. '51	65½	69½	d
c4½ Oct. '56	63½	67½	d
*5 Oct. '59	64½	68½	d
c5½ Apr. '52	65½	69½	d
6 Mar. '47	68½	72½	d
British Columbia:			
c4 Dec. '57	95	98	4.15
*4½ Jan. '51	99	102	4.28
c4½ Oct. '53	99	102	4.30
c5 Apr. '54	101½	104½	4.57
5½ Feb. '45	102	105	4.41
6 Feb. '47	104	107	4.84
Manitoba:			
c4 Dec. '57	83	87	5.10
c4½ Dec. '56	88½	92½	5.15
*5 Dec. '59	92½	96½	5.28
5½ Oct. '55	96½	100½	5.45
6 Apr. '47	99	103	6.50
Saskatchewan:			
4 Sept. '54	68½	72½	7.00
4 Nov. '60	67½	71½	6.50
c4½ Oct. '51	77½	81½	6.78
c4½ Mar. '60	74	78	6.45
5 Aug. '58	77½	81½	6.74
5½ Oct. '52	82	86	7.18
6 Mar. '52	85	89	7.36

*Payable Can., N.Y. & £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds.

Unlisted Stocks

Oct. 24, 1939 (Furnished by A. J. Pattison Jr. & Co., Toronto)

	Bid	Ask.
Industrials:		
Acme Farm., p.	15	..
Andian National	35	36½
Anglo C. Tel., A	8½	8¾
Barrymore, pfd.	19	..
B. C. Pulp, c.	19	21
Do., pfd.	49	..
B. C. Sugar	92	..
Burns & Co., A	7½	8
Do., B	3½	4
Canada Tea, pf.	20	24
Can. Co-op. W'l.	6½	..
Can. G'drich, c.	1½	..
C. I. L., A c	236	..
Can. Ing. Rand	135	139
Can. Tube, 1st p.	70	..
Chase, A. W., p.	25½	26½
Claude Neon, p.	5	5½
Cons. Sales B., p	..	78
Cope. Flour Unit	8	..
Dom. Wooll's, p.	6½	7½
Dunlop Tire, p.	22	23
Easy Washing, p	8	9
Fed. Grain, pfd.	40½	42
Do., com.	3	3½
Goderich Elev.	8½	9½
Guard. Realty, p	13	17½
Guelph Carp., p.	98	101
Do., com.	12	..
Hayes Steel, c.	18	20
Do., pfd. ($10)	10	11
Hi'land Dairy, p	73	76
Do., com.	2	..
Kingston Sh., un	15	20
Loblaw Inc., c.	10½	11
Morrison Br., pf.	5	..
M'row Screw, p.	98	..
Mt. Royal H., p.	2¾	3½
Neilson, Wm., c.	8	..
Do., pfd.	104	..
N. B. Tel., c.	11½	12½
N. Meth. Ldy., p	64	69
Office Spec., p.	71	..
Ont. Tob., pfd.	20	23
Paterson Wm., p	103	..
Prov. Paper, pfd	102	..
Reliance Gr., pf.	52	60
Rob'tson P. L., p	90	..
Rob. Cons. Cone	7¾	8½
Ruddy, E. L., p.	27	30
Seal O Sac (Can)	3	3½
Stand. Fuel, c.	1½	..
Do., pref.	47	50
Stedman Br., p.	53	..
Tor. Carpet, c.	18½	22
Do., pfd.	53	55
Un. F. Co-op.	2¾	2½
Un. Steel, A pf.	22	23
Viceroy, p. & rts	23	24
West. Grain, pf.	8½	10
West. Steel, c.	9	10
Weston Hold.	..	6
Trusts & Loan Stocks:		
Brit. Mtge.	151	154
Com. Fin., c.	2¾	3½
Guaranty Tr.	96	100
Guelph & O., $50	52½	55
Lambton Loan	30	35
London & West.	37	42
Sherbrooke Tr.	120	..
Sterling Tr.	52	60
Traders Fin., B.C.	10	11
Do., A pfd.	72½	..
Trusts & Guar.	27	28
Waterloo Trust	99	..
Insurance Stocks:		
Brit. Amer.	54	..
Canada Life	450	475
Confed., 30% pd	144	152
Crown, fully pd.	260	..
Dominion Fire	134	..
D. of Can. Gen.	105	120
Empire, 25% pd.	..	7
Excelsior Life	55	59
Federal, 25% pd.	51	53
Great-West Life	212	220
Halifax Fire	20	22
Imperial Life	285	295
Manufac. Life	220	230
Monarch 10% pd	22	24
Sov. L., 25% pd.	14	..
Sun Life	350	375
Tor. General	5½	6
Wellington F.	58	62
Western Assce.	48	51
Theatre Stocks:		
Allens, King., p.	..	62
Do., London, p	..	54
Do. St. Cath. p	..	55
Do., Tor., p. c.	..	34
Mansf. Theat., p	27	31
Para., Kitch., p.	50	54
Do., Oshawa, c	9½	12
Investment Trust Shares:		
Can. Investors	5¾	6½
Deb. & Sec., pf.	70	..
Inv. Found. Unit	55	57½
Sec's. Hold., pf.	18½	20
United Corp., A	21	23
Do., B	13	14
Power Issues:		
Can. W. N. Gas	24	..
Do., pfd.	98	101
Int. Util., 1.75 p	17½	18½
Do., 3.50 pfd.	36	39
Gt. Lakes Pr., p.	97	100
Mtl. Is. Pwr., p.	20	24
Nor. Ont. Pr., p	93	97

Unlisted Mines

Toronto, Oct. 24, 1939

	Bid	Ask
Addington	.04	.04½
Albany R	.15	.17
Amorada	.08	.09
Anoki	.07	.09
Arjon	.01½	.02
Armistice	.01	.02½
Argosy	.03	.04
Arno	.01	.01½
Area	.04	.04½
Athona	.03½	.03¾
Barb Lar	.03	.04
Bounty	.19½	.21
Beresford	.21	.23
Big Mastr	.01½	.02½
Brown C	1.03	1.10
Bilmac	.02	.04
Calder Bo	.02	.04
Capital R	.01	.01½
Central M	.04	.05
Cheminis	.04½	.05
Cochen'r	.55	.57
Coin Lake	.04½	.05
Crescent	.03½	.03¾
Crowshore	.05	.08
Dawson	..	.02
Dayton	..	.03
Delnite	.82	..
Desants n	.14	.16
Dona Pat	.10½	.12½
Donwood	.04½	.05½
Dumico	..	.04½
Elmos	.08	.10
Faulken'm	.01	.02½
Frontier	.01½	.02
Franco	.45	.48
Galore	.02	.03
Gate Pat	.01	.02
Golden G	.20	.21
Granada	.01	.02
Hallnor	6.00	6.75
Hiawa'a	.50	.60
Hislop	.01½	.02
Hoyle n	.19	.21
Hugh PP	.04	.05
Hutch Lke	.02½	.03½
Jason	.25	.35
Keora	.02	.03
Kaw Crow	.01	.02
Kenricia	.09	.11
Kewagama	.01½	.02
Kiena	.09	.10
Kirk Gate	.01	.02
Lake Duf	.22	.25
Lacoma	.01	.02
Lake Gen	.12	.15
Lardego	.02	.03
Lw Pete	.40	.45
Magnet C	.70	..
Magnet L	.13	..
Martin B	.04	.04½
Margaret	.09	.11
Mata Cana	.04	.05
Mof Hal n	.02	.03
Mooshla	.04	.05
Mosher	.07½	.08½
Mylamaqu	.01	.02
Nat Mal	.24	.27
Negus	.70	.75
Ribago n	.02	.02½
Nickel O	.70	.80
Norbeau	.28	.35
Norlake	.01	.02
North Am Molyb'	1.22	1.27
Oklend	.09	.10
O'Leary	.01½	.02
Olga	.00¾	.01½
Opemiska	.06½	.07½
Oriole	.01½	.02
Orpit	.02½	.04½
Ossian	.00¾	.01½
Pascalis	..	.30
Payore	.01½	.02
Pontiac	.09	.10
Pelangio	.01½	.02
Paulore	.01½	.01¾
Polaris	.39	.40
Private'r	.87	.91
Propri'y	1.70	1.75
Presdor	.01¾	.02½
Queb Man	.07	.08
Rand Mal	.08	.09
Rahm Lk	.27	.29
Red LGS	.01½	.01½
Rhyolite	.01	.01½
Rose Gold	.05	.07
Sachigo	5.00	6.00
Shenango	.03½	.04½
Sheldon	.02½	.05
Siscoe Ex	.01	.02
Skynner	.05	.07
Smelter	.01½	.02½
Spooner	.04	.06
Sunbeam	.07	.10
Springer	.12	.12½
Thom'n L	.17	.20
Union Min	.04½	.05½
Walker P	.01½	.01½
Wells LL	.13	..
Westwood	.02	.03
Winoga cum rts	.04½	.06
Woco	.10	.11
Y David'n	.28	.30

Montreal, Oct. 24, 1939

	Bid	Ask
Abbeyv'e	.05	.06
Brown B	.01	.02
Chibmac	.01	.02
Demp'y	..	.02
L Lag'n	.03	.05
L Rowan	.03	.04
Leroy	..	.01
Louvre	..	.01½
Obalski	.03½	.04½
Pan Can	.03½	.04½
Routh'r C	..	.03
Tiblem't I	.02	.03
Valdor M	.60	.70
Warren'c	..	.08

Dividends Declared

	This payment	Date payable	Date of record
Ang. Can. Tel. p.	68¾c	Nov. 1	Oct. 14
Assoc. Tel., pf.	49c	Nov. 15	Nov. 1
Assoc. Tel., 1st pf.	42c	Nov. 15	Nov. 1
Ault & Wiborg, p.	$1.37½	Nov. 1	Oct. 15
Acadia Sugar, p.	7½c	Oct. 2	Sept. 16
Bk. of Montreal	$2	Dec. 1	Oct. 31
B. C. Tel., 2nd p.f.	$1.50	Nov. 1	Oct. 17
Beatty Bros., 1st pf.	$1.50	Nov. 1	Oct. 14
Bk. of Toronto	$2.50	Dec. 1	Nov. 15
Calgary Power, p.	$1.50	Nov. 1	Oct. 14
Calgary & Edm.	10c	Nov. 15	Oct. 14
Can. For. Inv., c.	70c	Nov. 1	Oct. 15
Can. W. & C., A	$1	Dec. 15	Nov. 30
Can. Indust., A, B	$1.75	Oct. 31	Sept. 30
Can. Bronze	37½c	Nov. 1	Oct. 20
Do., pref.	$1.25	Nov. 1	Oct. 20
Can. Bk. of Comm.	$2	Nov. 1	Sept. 30
Coast Brew.	3c	Nov. 1	Oct. 7
Commonwealth Int'l.	4c	Nov. 15	Oct. 14
Can. Inv. Fd., sp. and ord.	4c	Nov. 1	Oct. 16
Can. Investors	10c	Nov. 1	Oct. 18
Cosmos Imp.	30c	Nov. 15	Oct. 31
Do., pref.	$1.25	Jan. 15	Dec. 30
Can. Iron, pf.	$2	Nov. 15	Oct. 31
Canadian Oil	12½c	Nov. 15	Nov. 1
Do., extra	12½c	Nov. 15	Nov. 1
Dom. Bridge	30c	Nov. 15	Oct. 31
Davies Pete.	1c	Nov. 1	Oct. 19
Dom. Tar, pref	$1.37½	Nov. 1	Oct. 12
Dom. Oilcloth	30c+10c	Oct. 31	Oct. 16
Distillers Seag., p.,	$1.25	Nov. 1	Oct. 16
Dom. Ang. Inv., p.	$1.25	Dec. 1	Nov. 15
Dominion Bank	$2.50	Nov. 1	Oct. 20
East. Bakeries, p.	81¼c	Oct. 15	Oct. 1
East. Twp. Tel.	36c	Oct. 15	Sept. 30
Guar. of N. Amer.	$1.50	Oct. 16	Sept. 30
Do., extra	$2.50	Oct. 16	Sept. 30
Gen. Stl. Wares, p.	$1.75	Nov. 15	Nov. 1
Gould Pumps, p.	2%	Nov. 9	Oct. 30
Granby Cons.	25c	Dec. 1	Nov. 15
Gurd, C., pref.	$1.75	Nov. 15	Nov. 1
Hollinger Cons.	5c	Nov. 4	Oct. 21
Do., extra	5c	Nov. 4	Oct. 21
Hud. Bay Mining	$1	Dec. 11	Nov. 17
Humberstone Shoe	25c	Nov. 1	Oct. 15
Inter. Metal, pf.	$1.50	Nov. 1	Oct. 14
Do., A pref.	$1.50	Nov. 1	Oct. 14
Inter. Util.	87½c	Nov. 1	Oct. 20
Do., $1.75 pref.	56¼c	Nov. 1	Oct. 20
Inter. Nickel, pfd.	$1.75	Nov. 1	Oct. 2
Imperial Bank	$2.50	Nov. 1	Sept. 30
Kirkland Lake	4c	Nov. 1	Oct. 2
Do., extra	1c	Nov. 1	Oct. 2
Leitch Gold	2c	Nov. 15	Oct. 31
Loblaw Groc., A B	25c.	Dec. 1	Nov. 10
Do., extra	12½c	Dec. 1	Nov. 10
Lake of W. M., p.	†$3.50	Nov. 1	Oct. 14
Mtl. L. H. & Pwr.	37c	Oct. 31	Sept. 30
Mtge. Corp. N. S.	$1.50	Nov. 1	Oct. 24
McIntyre Porc.	50c	Dec. 1	Nov. 1
Do., extra	$1	Jan. 2	Nov. 1
Neon Pr. W. Can., p.	$1.50	Nov. 1	Oct. 16
Ont. Steel, pfd.	$1.75	Nov. 5	Nov. 3
Orange Crush, p.	35c	Nov. 1	Oct. 16
Paterson, Wm., pf.	$1.75	Nov. 1	Oct. 20
Penmans	75c	Nov. 15	Nov. 6
Do., pref.	$1.50	Nov. 1	Oct. 21
Privateer Mine	5c	Nov. 10	Oct. 25
Quebec Pwr.	25c	Nov. 15	Oct. 24
Rolland Pap.	22c	Nov. 15	Nov. 4
Do., pref.	$1.50	Dec. 1	Nov. 15
Royal Bank	$2	Dec. 1	Oct. 31
San Antonio G.	7c	Nov. 6	Oct. 20
Saguenay Pr., p.	$1.37½	Nov. 1	Oct. 16
South. Am. Gold	10c	Nov. 28	Nov. 14
Sullivan Cons.	3c	Oct. 31	Oct. 16
Do., bonus	1c	Oct. 31	Oct. 16
Steel of Can.	43¾c	Nov. 1	Oct. 6
Do., pref.	43¾c	Nov. 1	Oct. 6
South. Can. Pwr., c.	20c.	Nov. 15	Oct. 31
Sundance Rylts.	▲	Oct. 31	Oct. 20
Shawinigan W.	22c	Nov. 15	Oct. 20
Simpsons, pref.	$1.25	Nov. 1	Oct. 23
St. Law. Flour	25c	Nov. 1	Oct. 20
Do., pref.	$1.75	Nov. 1	Oct. 20
Simpson, Robt., pf.	$3	Nov. 1	Oct. 16
Sherbrooke Tr.	$1.50	Nov. 1	Oct. 15
Toburn Gold	2c	Nov. 22	Oct. 21
Do., extra	2c	Nov. 22	Oct. 21
Tor. Elevators, pf.	68c	Dec. 7	Nov. 23
Union Gas	20c	Dec. 15	Nov. 20
United Corp., A	37c	Nov. 15	Oct. 31
Weston, Geo., pfd.	$1.25	Nov. 1	Oct. 14
W'minster Paper	25c	Nov. 1	Oct. 15
Willson Stat., p.	$1.25	Oct. 15	Sept. 30
Wood, A. & J., 1 p.	$1.75	Nov. 1	Oct. 23
Young Dav'son*	2c	Nov. 4	Oct. 28
Zellers, pfd.	37½c	Nov. 1	Oct. 14

*Initial. †On arrears.
▲Rate not declared.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

October 24, 1939

Public Utility Issues:	Int. Rate %	Due	Bid Oct. 24	Asked	Bid Oct. 17
†Assoc. Tel. & T.	5½	'55	79	83	77
Beauharnois P.	5	'73	99	103	98½
B. C. Power	4½	'60	99	103	98½
B. C. Tel.	4½	'61	103	107	102½
†Calgary Pwr.	5	'60	101½	105½	101½
Do.	5	'64	100	104	99
†Can. Nor. Pwr.	5	'53	104	108	102½
*Dom. Gas & El.	6½	'45	96	100	96
Gatineau Pwr.	5	'49	102	106	101½
Do., A	3½	'69	97½	101½	95
Gt. Lakes Pwr.	4½	'56	97½	101½	94
*Int. Hydro-E.	6	'44	85	89	82
▲Inter. Power	6	'55	96½	100½	97
Macl'n-Que. Pr.	4	'59	95	99	94½
Mtl. L. H. & P.	3½	'56	97	101	96
Do.	3½	'73	94	98	93
†Mtl. Tramways	5	'41	96	100	94½
†Do.	5	'55	71	75	69½
Nat. Lt. & Pwr.	6	'49	95	99	92½
N. S. Lt. Pr.	4	'57	97½	101½	97
Ottawa H. & P.	4	'57	98	102	98
Ottawa V. Pwr.	5	'59	101½	105½	101½
†Power Corp.	4½	'59	96	100	94½
Quebec Pwr.	4	'62	99	103	98½
▲Saguenay P., A	5½	'66	100	104	...
Do., B	4½	'66	100	104	99
Shaw. W. & Pr.	4	'61	99	103	98
Union Gas	4½	'50	99½	103½	99
United Secs.	5½	'52	67	71	67
†Wpg. El., ser. A	4	'65	73	77	73
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	63	67	62
Acadia Sugar	4½	'55	98	102	98
†Alta. Pa. Grain	6	'46	97½	101½	98
Atlantic Sugar	4	'51	97½	101½	97½
†B. C. P. & Pap.	6	'50	78	82	74
*Brown Co.	5½	'46	53	57	52
Burns & Co.	5	'58	62½	66½	59½
Canada Bread	6	'41	105	109	105
Canada Cement	4½	'51	100½	104½	99½
Can. Paper	4½	'52	98	102	97
Can. Steamship	5	'57	91½	95½	91
Can. Canners	4	'51	100	104	99
*Can. Int. Paper	6	'49	98	102	97½
†Candn. Vickers	6	'47	76	80	73
C. P. R.	3½	'51	84	88	83½
Do.	4	'49	89	93	89
Do.	4½	'44	93½	97½	93
†Consol. Paper	5½	'61	60	64	58½
Dom. Coal	4½	'52	99	103	99
▲Dom. Stl. & C.	6½	'55	115	119	112
Dom. Tar	4½	'51	99½	103½	98½
†Donnacona P.	4½	'56	79½	83½	78
Famous Players	4½	'51	98	102	96
†Federal Grain	6	'49	97½	101½	98
†Fraser Cos.	6	'50	98	102	97½
Gen. Stl. Wares	4½	'52	98½	102½	97
*Great Lakes P.	5	'55	89½	93½	88
†Gypsum, Lime	5½	'48	97½	101½	96½
Ham. By-Pr. C.	5	'55	99	103	98½
Lake St. J. P.	5½	'61	86½	90½	84½
†Maple Leaf M.	3	'58	74½	78½	73½
Massey-Harris	4½	'54	93	97	91
McColl-Fron.	4½	'49	99	103	98
McCormick's	4	'52	86½	90½	84
*M. & O. Paper	6	'45	43	47	33½
N. S. Stl. & Co.	3½	'63	87	91	84
Price Bros.	5	'57	95	99	95½
*Prov. Paper	5½	'47	100	...	99½
Reliance Grain	4½	'52	94	..	94
†Restigouche Co.	6	'48	97½	101½	97
Rolland Paper	4½	'51	97½	101½	97
Simpsons Ltd.	4½	'51	98	102	96½
Smith, Howard	4½	'51	99	103	99
†Steel of Can.	6	'40	110	114	110
*United Gas	5½	'48	99½	103½	100
United Gr. Grs.	5	'48	96	100	97
†Western Grain	6	'49	47	51	42

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
▲Payable in Can. or U. K.
*Payable in U. S. only.

Municipal Bonds

Oct. 24, 1939

†Halifax	5	1961	109.00	111.00	4.23
Hamilton	5	1950	106.50	108.50	4.00
Montreal	5	1945	96.50	98.50	5.33
Ottawa	4½	1945	103.85	105.85	3.35
†Quebec	5	1959	103.00	106.00	4.55
Saint John	5	1950	105.00	107.00	4.20
†Toronto	4½	1955	106.75	[illegible]	[illegible]
†Vancouver	5	1950	94.00	98.00	5.25
Winnipeg	5	1944	98.00	103.00	[illegible]

†Payable Can. and N.Y.

Mining Dividends

		Close Oct. 23	Yield %
Beattie Gold	15c	1.08	13.8
Bralorne	80c+40c	10.25	*11.7
Buffalo Ankerite	$1	7.00	14.3
Bulolo Gold	$3	21.00	14.3
Can. Malartic	9c	.55	16.4
Cariboo Gold	16c+5½c	2.05	*10.4
Central Patricia	16c+5c	2.35	*8.9
Coniagas	25c	1.35	..
Coniaurum	15c	1.50	..
Cons. Smelters	$1+$1	50.25	*4
Dome Mines	$2	28.50	7
Falconbridge	30c	4.85	6.2
God's Lake	†5c	.58	..
Goldale	†2c	.18¼	..
Gunnar Gold	6c	.52	11.5
Hollinger	65c+45c	14.50	*7.6
Howey Gold	5c	.31	..
Hudson Bay	$1.75	34.25	5.1
Inter. Mining	40c	9.87	4.1
Inter. Nickel, com.	$2	47.75	4.2
Island Mountain	10c	.85	11.8
Kerr Lake	15c	.50	..
Kirkland Lake	8c+2c	1.33	*7.5
Kootenay Belle	16c+4c	.70	..
Lamaque Gold	40c+17c	6.40	*8.9
Lake Shore	$4	37...	..
Lava Cap M.	11c	.80	..
Leitch	8c	.80	10
Little Long Lac	30c	2.95	10.2
Macassa	20c+7½c	4.20	*6.5
McGillivray Coal	3c	.21	..
McKenzie Red Lake	12c	1.18	10.2
McWatters	10c	.60	..
Moneta	12c	.90	13.3
McIntyre Porc.	$2+$1	57.50	5.2
Nipissing	15c	1.15	..
Noranda	$4	78.00	5.1
North Empire	80c	9.00	8.9
O'Brien Gold	20c	1.85	..
Pamour Porc.	8c	2.20	..
Pato Cons.	10c	2.40	..
Paymaster	2c	.34	..
Perron Gold	16c+1c	1.88	*9
Pioneer, B.C.	40c	2.35	..
Pickle Crow	40c	4.40	9.1
Placer Develop.	$1.20	10.00	12
Premier	12c	1.48	8.1
Privateer Mine	20c+2c	.87	..
Powell Rouyn	†5c	1.74	..
Quebec Gold	†2c	.30	..
San Antonio	14c	1.75	8
Sheep Creek	16c+3c	1.15	*16.5
Silbak Prem.	16c	1.00	16
Siscoe	12c	.83	14.4
Sudbury Basin	5c	2.15	..
Sullivan Cons.	6c+1c	.76	*9.2
Sylvanite Gold	20c+5c	3.05	*8.2
Teck-Hughes	40c+5c	4.05	*11.1
Toburn	8c+8c	1.56	*10.3
Ventures	15c	4.45	..
Wright-Harg.	40c+30c	8.00	*8.7

*Yield including bonus. †Initial.

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND NO. 306

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after FRIDAY, the FIRST day of DECEMBER next, to Shareholders of record at close of business on 31st October, 1939.

The Annual General Meeting of the Shareholders will be held at the Banking House of the Institution on MONDAY, the FOURTH day of DECEMBER next.

The Chair to be taken at noon.

By Order of the Board

JACKSON DODDS, General Manager
G. W. SPINNEY, General Manager

Montreal, 20th October, 1939.

McIntyre Porcupine Mines

LIMITED

(No Personal Liability)

DIVIDENDS NOS. 84, 85, 86, 87 and 88

Notice is hereby given that at a meeting of the Board of Directors of McIntyre Porcupine Mines Limited (No Personal Liability) held on this 19th day of October, 1939, the following dividends were declared, payable in New York funds:

No. 84 for Fifty Cents (50c) a share, payable December 1, 1939, to shareholders of record November 1, 1939.

No. 85 (EXTRA) for One Dollar ($1.00) a share, payable January 2, 1940, to shareholders of record November 1, 1939.

No. 86 for Fifty Cents (50c) a share, payable March 1, 1940, to shareholders of record February 1, 1940.

No. 87 for Fifty Cents (50c) a share, payable June 1, 1940, to shareholders of record May 1, 1940.

No. 88 for Fifty Cents (50c) a share, payable September 3, 1940, to shareholders of record August 1, 1940.

By Order of the Board.

BALMER NEILLY,
Treasurer.

Dated at Toronto, October 23rd, 1939.

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share has been declared on the Outstanding No Par Value Shares of this Company for the Quarter ending 31st October, 1939, payable 15th November, 1939, to Shareholders of record at the close of business on the 31st October, 1939.

By order of the Board.

F. W. EVENS,
Secretary.

Montreal, Que.,
17th October, 1939.

Leitch Gold Mines Limited

(No Personal Liability)

DIVIDEND No. 5

Notice is hereby given that a quarterly dividend of two cents per share has been declared by the Directors of this Company payable in Canadian funds on November 15th, 1939, to shareholders of record at close of business, October 31st, 1939.

By order of the Board.

H. J. MACKAY,
Sec.-Treas.

October 18th, 1939.

Canada Iron Foundries, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 2% on the $100.00 par value 6% non-cumulative Preferred Shares of this Company has been declared for the half year ended June 30th, 1939, payable November 15th, 1939, to holders of record October 31st, 1939.

By order of the Board.

M. S. GROGAN,
Secretary-Treasurer.

Dated at Montreal,
October 18th, 1939.

Privateer Mine Limited

Dividend No. 4

NOTICE is hereby given that a dividend of five cents per share has been declared by the Directors of Privateer Mine Limited, payable in Canadian funds on the 10th day of November, 1939, to shareholders of record October 25th, 1939.

By order of the Board.

W. P. MARCHANT,
Secretary.

Victoria, B.C.,
October 17, 1939.

GUNNAR GOLD MINES LIMITED

(No Personal Liability)

DIVIDEND NO. 5

Notice is hereby given that a dividend of three cents per share has been declared on the outstanding Capital Stock of the Company, payable November 15th, 1939, to shareholders of record October 31st, 1939.

By order of the Board.

B. E. KEARNS,
Secretary-Treasurer.

Toronto, October 24th, 1939.

Abitibi Earnings Reverse Trend With Sharp Gains

Monthly earnings of Abitibi Power & Paper Co., as reported by G. T. Clarkson, receiver and manager, reached a figure in September higher than in any month in more than two years. With a gain of 54.39% over September of 1938, operations reflect both the increasing scale of shipments and the gains from the premium on U. S. funds.

To exponents of the viewpoint of junior security holders of the company, this marked change in earnings is taken to indicate a strengthening of their position and may presage continued firm claims to a share of the equity in any new company that may result from a reorganization

Although the Symington bondholders' committee has not replied officially to the Bradshaw-Ferguson-Scott plan of reorganization, it is understood that this committee's position, as suggested in The Financial Post three weeks ago, is that the Bradshaw plan is not acceptable. It is suggested that this plan calls for a scale of earnings that there is no reason to expect can be maintained over any extended period and that the current jump in returns is due to a war-stimulated demand that should not be regarded as permanent.

Earnings Half Interest

Study of the monthly figures for the first nine months of 1939 indicate the possibility that Abitibi will have close to $3.5 millions available for depreciation and bond interest in 1939. This would compare with just under $3 millions for 1938 and $4.8 millions in 1937.

Depreciation at last year's rate would require $1,785,000, leaving $1.7 million for bond interest. Bond interest is now running at a monthly rate of just under $280,000, or approximately $3,360,000 annually. On this basis, Abitibi is now earning at an annual rate equivalent to just about one half its interest requirements. For September alone earnings of $463,529 are higher than the receiver's estimates of depreciation and interest for this month.

Of course, the trend is strongly upward at present with September net earnings being more than double those for August. Continuation of this trend is indicated over the immediate future by estimates of higher shipments of newsprint and bleached sulphite.

Exchange Premium Large

How important the premium on U. S. funds is to the company right now is shown by figures published this month by Mr. Clarkson. Of September net earnings of $463,529, he says that $92,730, or 20%, was obtained from the premium on funds. In August, out of net earnings of $215,369, 13.47% came from exchange premium. Even a year ago this was an important factor with 10.7% of last September's earnings of $300,225 coming from this source.

With rigid control of exchange now in effect in Canada, there seems little immediate chance of this premium becoming greater.

Mr. Clarkson forecasts October shipments of newsprint at 36,000 tons this year as compared with 32,694 tons in September. September earnings were well above those of the same month in 1937 but at that time shipments of newsprint amounted to 44,928 tons. Apparently this illustrates more than anything else the combined effect of a higher base price for newsprint and the extra income from exchange premiums. So long as these conditions continue, it is quite possible for Abitibi to show greater earnings per ton of newsprint than in any recent year.

The same factor of exchange premium, of course, also aids earnings from bleached sulphite shipments which are forecast at 5,000 tons for October, only slightly up from the 4,987 tons actually shipped in September.

Comparative earnings and shipments follow.

Monthly Earnings

	1939 $	1938 $	Incr. %
January	162,297	114,219	42.09
February	125,556	77,469	62.07
March	150,400	140,258	7.23
April	175,446	181,932	▲3.57
May	237,830	285,264	▲16.63
June	199,330	331,067	▲39.79
July	191,633	256,843	▲25.39
August	215,389	250,338	▲13.96
September	463,529	300,225	54.39
	1,921,410	1,937,615	▲0.84

▲Decrease.

Newsprint Shipments (Short Tons)

	1939	1938
January	21,688	18,058
February	20,542	16,004
March	22,333	18,239
April	24,293	22,001
May	27,201	25,412
June	24,239	27,201
July	22,199	22,960
August	25,310	24,545
September	32,694	26,741
	220,499	201,161

Shipments of Bleached Sulphite (Short Tons)

	1939	1938
January	3,422	2,150
February	2,846	1,937
March	3,461	2,183
April	3,261	2,841
May	3,435	3,000
June	2,863	2,142
July	2,893	2,863
August	3,291	3,244
September	4,987	3,274
	30,459	23,634

DIVIDEND NOTICES

The Bank of Toronto

Dividend No. 233

Notice is hereby given that a **Dividend of Two and One-half per cent** upon the Paid-up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its Branches on and after the first day of December next, to shareholders of record on November 15th, 1939.

By Order of the Board.

F. H. MARSH,
General Manager.

The Royal Bank of Canada

DIVIDEND NO. 209

NOTICE is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Friday, the first day of December next, to shareholders of record at the close of business on the 31st day of October, 1939.

By order of the Board.

S. G. DOBSON,
General Manager.

Montreal, Que., October 10, 1939.

The Canadian Bank of Commerce

Dividend No. 211

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st October, 1939, and that the same will be payable at the Bank and its Branches on and after Wednesday, 1st November next, to shareholders of record at the close of business on the 30th September, 1939. The Transfer Books will not be closed.

By Order of the Board,

A. E. ARSCOTT,
General Manager.

Toronto, 22nd September, 1939.

Loblaw Groceterias Co. Limited

NOTICE is hereby given that a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "A" shares, and a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the class "B" shares of the Company have been declared for the quarter ending November 30th, 1939, payable on the 1st day of December, 1939, to shareholders of record at the close of business on the 10th day of November, 1939. The transfer books will not be closed. Payment will be made in Canadian Funds.

By order of the Board,

JUSTIN M. CORK,
Secretary.

Toronto, October 20th, 1939.

DIVIDEND NO. 10

Hudson Bay Mining and Smelting Co., Limited

A Dividend of One Dollar ($1.00) (Canadian) per share has been declared on the Capital Stock of this Company, payable December 11, 1939, to stockholders of record at the close of business on November 17, 1939.

H. E. DODGE, *Treasurer.*

Push Food Output And Trust Prices

From Our Own Correspondent

OTTAWA.—In default of definite declarations of Britain's food requirements from Canada, the Dominion Government has decided to put on a production campaign to tell the farmers how best they can contribute to Canada's war effort. This campaign will be launched by Hon. J. G. Gardiner.

The view at Ottawa is that the present uncertain state of British buying will be clarified within a reasonably short time. At the moment Britain seems unable to place large-scale orders for any kind of foodstuffs and most of the bids which have been received are below prevailing price levels here.

In the main, however, the Government—certainly Mr. Gardiner—is prepared to push food shipments into Britain, trusting to agreement on price later on.

Commodity Prices

Commodity prices are again showing an upward trend. Advances, however, have not been spectacular but irregular. Expectation that government action will be taken to check any wild price movements prevents speculative enthusiasm from becoming too marked.

Livestock prices have been stronger under lighter offerings and better demand. British bacon markets have been firmer affecting the price of hogs while the war demand is expected to absorb large quantities of beef. Hides have advanced on a strong industrial demand. Tanners report great activity and a strong war demand for leather, necessitating buying hides freely. War demand has also strengthened copper and rubber. Wheat on the other hand is easier with exports still lagging. Sugar has been easy under plentiful world supplies.

	Latest week	Previous week	Same week last yr.
Cattle	$7.75	$7.25	$6.00
Hogs	9.35	9.00	8.35
Copper, lb.	.12¾	.12½	.11¼
Cotton, lb.	.0926	.0916	.0875
Rubber, lb.	.2087	.2010	.1690
Sugar, raw, lb.	.0330	.0360	.0310
Silk, lb.	3.46½	3.14	1.88½
Wheat, Man. (bu.)	.70⅝	.71⅛	.62⅛
Coffee, lb.	.05¼	.05¼	.05½
Hides	.16	.15½	.13
Weekly Indices			
Canada (D.B.S.)	78.0	78.0	74.3
Do., Wood, Gundy	65.7	64.5	57.9
U. S. Labor	78.9	79.0	77.7
Dow Jones (future)	55.92	55.36	49.08
Fishers'	83.9	83.3	79.9
Monthly Indices			
Canada (D.B.S.):			
Retail (Sept.)	82.9	83.0	84.0
W'sale (August)	72.4	72.6	76.0
U. S. (July)	75.4	75.6	78.8
Gt. Brit. (July)	98.1	98.1	100.6

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Silk — Crack db., 13-15 New York. Sugar — 96 degrees centrifugal c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. Hides—No. 1 packer light.

DIVIDEND NOTICES

Blue Ribbon Corporation Limited

NOTICE is hereby given that a dividend of sixty-two and a half cents (62½c) per share on the Preferred Shares of the Company has been declared payable on and after the first day of November, 1939, to the holders of preference shares of record at the close of business on the 30th day of October, 1939.

DATED AT TORONTO this 24th day of October, 1939.

J. C. JAMIESON, Secretary.

GENERAL STEEL WARES

Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of $1.75 per share on the outstanding 45,000 shares of 7% Cumulative Participating Preferred Stock of a par value of $100.00 each of General Steel Wares Limited, has been declared, payable on the 15th day of November, 1939, to shareholders of record at the close of business on the 1st day of November, 1939, being a Cumulative Dividend at the rate of 7% per annum in respect of the three months' period commencing 1st day of May, 1939, and ending the 31st day of July, 1939.

By order of the Board,

FRANK S. BROPHY,
Secretary.

Montreal, October 20th, 1939.

Week in Wheat

More Active Demand Is Expected Soon

British Millers Now Authorized to Use Up to 40% Canadian Grain for Mixing — Smaller Supplies from Southern Hemisphere Expected

From Our Own Correspondent

WINNIPEG.—Reports from Ottawa indicate that the British authorities have been persuaded by the Canadian Government to commence buying of Canadian wheat in a big way. Official announcement has been made in Great Britain that millers are to use up to 40% of Canadian wheat in their mix, in order to conserve supplies of Argentine and other filler wheats. This is in contrast to earlier regulations permitting the use, first of 10%, and later 20% of Canadian wheat.

Probabilities are strongly against arrival of any great quantity of southern hemisphere wheat in Great Britain or in European countries under present shipping conditions.

United States wheat is too expensive to be bought by Great Britain, unless its export is subsidized by the American Government. Although the United States Government is applying an export subsidy policy in a limited way, it is not likely to be applied to sales to the United Kingdom, because of the obvious fact that British exchange available in the United States can be spent to better advantage to both countries than in buying wheat.

Larger Shipments Likely

For all these reasons it seems likely that shipments of Canadian wheat to Great Britain will be much more extensive in the near future. The market, however, does not respond to the situation, awaiting more positive evidence as to the price that the British purchasing agent may be willing and authorized to pay for Canadian wheat.

There is a good deal of opinion to the effect that the situation will not be fully cleared up until after Hon. T. A. Crerar consults with the British Government. It is taken for granted that wheat will be one of the important subjects then discussed.

* * *

Chicago Draggy

Dragginess in the Chicago wheat market has also been a reason for lack of activity in Winnipeg. The market there, although running at levels much higher than those at Winnipeg, has lately had an indifferent tone. It has refused to become excited by prospects of a small winter wheat crop, because of the unfavorable condition in which that crop must enter the winter.

One reason for that is a reaction in flour buying, after tremendously heavy purchases made by consumers, bakers and dealers during the first few days of the war. Buying was so stimulated for a brief period at that time that now there is decidedly less than the normal amount from mills.

If the American winter wheat crop turns out as poorly as is possible, next year may see no surplus wheat in the United States. The extent of the carryover, however, makes highly unlikely any demand for imports of wheat from Canada. A higher price level than now prevails at Chicago would be considered an advantage to Canadian wheat. It would produce, at least, a psychological effect and tend to make a higher price for Canadian wheat acceptable in Great Britain. It would also tend to offset the effect of very low prices quoted for Argentine wheat.

* * *

Argentine Offerings

Argentina, seeing little chance of disposing of her wheat crop satisfactorily under war conditions, seems willing to accept almost any price for immediate sale. Prices may go still lower there after the new harvest, which promises to be of average size. The Government Grain Board has announced that millers are not to buy farmers' wheat, but are to secure their supplies from the board, which will have a large carryover into the new crop year.

* * *

Canadian Price Holds

The fact that the Winnipeg market for some time has hovered close to 70 cents, the basic initial price paid by the Canadian Wheat Board, suggests that the Canadian Government has practically refused to sell wheat below that level.

Actually, of course, the price will have to rise to some considerable extent before the Canadian Government costs in interest, higher freights and storage are met. In addition, the Government must take a considerable loss on nearly 100 million bushels of wheat carried over from last year's crop, which were acquired on the basis of 80 cents a bushel and on which considerable additional costs accrued before sale.

* * *

Lower Grades Firm

On grades lower than No. 1 Northern the market has been proportionately higher than on the top qualities. Wheat Board spreads have proved to be too wide in relation to market prices so far prevailing. At the beginning of this week, for example, the market on No. 1 Northern was only ⅞ of a cent above the Wheat Board basis. But on No. 3 Northern the market would pay nearly 5 cents a bushel more than the Wheat Board basis; for No. 4, 8 cents over; and for feed wheat 15 cents a bushel more. One reason for the narrow spreads has been the fact that lower grades are actually scarce, the crop so far having graded remarkably high. Probably a greater proportion of low grade grain will be found in later Alberta marketings, where some deterioration has resulted from wet threshing weather. Farmers who have low grade wheat to sell have been showing a keen appreciation of the market situation by selling it, rather than delivering it to the Wheat Board, while the tendency has been to let the Board have most of the high grade wheat.

Wheat Prices

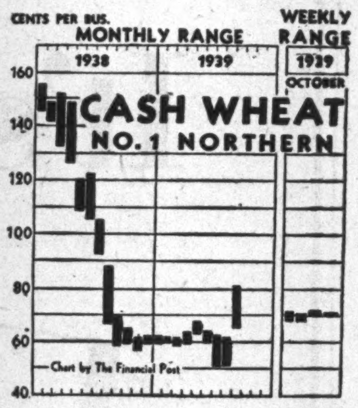

Chart by The Financial Post

	For Week Oct. 24 High	Low	Prev. Week High	Low
1 Hard	.71⅝	.70	.72⅛	.70½
1 Northern	.71⅝	.70	.72⅛	.70½
2 Northern	.69½	.67¾	.70	.68⅛
3 Northern	.67⅞	.66½	.68⅛	.66⅝
4 Northern	.66⅛	.65	.68⅛	.68¾
5 Wheat	.61⅞	.60½	.62⅛	.58½
6 Wheat	.57⅝	.56	.58⅛	.54½
Feed Wheat	.56⅝	.55	.57⅛	.53½

Winnipeg Grain Futures

Week to Oct. 24, 1939

Crop year from Aug. 1, 1939 High	Low		Open Oct. 18	High for week	Low for week	Close Oct. 24	Close year ago
		Wheat					
.84	.50¼	Oct.	.72¼	.72¼	.69½	.70	.60⅞
.85⅜	.51⅝	Nov.	.72⅜	.72¾	.70⅛	.70½	.60⅝
.85	.51½	Dec.	.73¾	.73¾	.70⅞	.71⅜	.60
.88	.54⅞	May	.78½	.78½	.75¾	.76¼	.63⅜
		Oats					
.45⅜	.26⅝	Oct.	...	.34⅞	.32⅞	.32⅞	.28
.40	.30¼	Nov.	.....	.33	.32⅛	.32¼	.....
.41	.26⅛	Dec.	.31¼	.32½	.30⅞	.31¼	.27¼
.45¾	.27½	May	.31⅝	.32⅞	.31⅛	.31⅞	.28⅜
		Barley					
.50⅜	.33½	Oct.	.....	.43	.42⅛	.42⅛	.36¼
.50	.32⅝	Oct. (new)	.43⅜	.43⅝	.42⅝	.42⅞	.....
.53	.42¼	Nov.	.....	.43	.42⅝	.....	.....
.49⅜	.32⅜	Dec.	.43	.43	.42	.42¼	.35¾
.51⅜	.33⅝	May	.43⅜	.44¼	.43⅛	.44	.36⅝
		Flax					
1.86	1.26¼	Oct.	1.67½	1.68	1.61⅛	1.61⅛	1.33
1.75½	1.55	Nov.	.....	1.67½	1.62	1.62	.....
1.76	1.23¾	Dec.	1.66	1.66	1.60½	1.60½	1.28⅛
1.81	1.54	May	1.63½	1.63½	1.56¼	1.56¾	1.30
		Rye					
.62⅞	.36½	Oct.	.61¾	.61¾	.57½	.59¼	.40
.62½	.52	Nov.	.....	.60¼	.58	.58¾	.....
.61	.37½	Dec.	.58	.58½	.55¾	.56½	.40
.65	.40	May	.59½	.59⅞	.57¼	.57½	.42

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WINNIPEG - - - CANADA

Expect Elevators In B.C. to Fill Up

Movement of Grain Dependent on Supply of Ships

From Our Own Correspondent

VANCOUVER.—Grain operators at the Pacific Coast have had their spirits buoyed considerably during the past week as a result of the decision of the wheat board to route shipments westward.

A year ago the crop movement to the Pacific seaboard was at its height, but so far the flow of wheat here has been a trickle, with barely 5 million bushels handled so far. Several of the elevator companies have temporarily reduced their staffs.

However, the assurance of sufficient grain to at least fill the coast grain houses has improved the outlook. Elevator executives inform The Financial Post that within a couple of weeks all elevators at Vancouver, with a total capacity of about 18 million bushels, will probably be full, and the extent of the movement from now on will depend on sales and the ship supply.

It is expected that as grain makes a good filler for lumber cargoes a certain amount of wheat will be stowed on ships that the British Government is arranging to send to the Pacific Coast for lumber.

GRAIN MERCHANTS
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Maple Leaf Milling Company Limited

(A Company incorporated under the Ontario Companies Act)
and its wholly owned Subsidiaries

CONSOLIDATED BALANCE SHEET as at 31st July, 1939

ASSETS

Current:			
Cash on hand and in banks			$ 40,908.49
Accounts and bill receivable less reserve for doubtful accounts			894,396.74
Inventories of merchandise and materials as determined by the management on the company's usual basis of valuation, namely:			
Hard wheat and hard wheat flour at not more than market value of wheat and cost of milling. Wheat and flour sold under contracts at cost which is less than contract price		$ 1,029,272.38	
Coarse grains, cereals, feeds, bags and other products and materials, at the lower of cost or market value		612,861.69	1,642,134.07
			$ 2,577,439.30
Sundry:			
Advances to controlled companies, less reserve		$ 79,809.59	
Deferred charges and other payments carried forward		114,790.02	
Inventories of repair parts, less reserve		49,015.46	
			243,615.07
Investments:			
Shares of controlled companies (less amounts written off)		$ 1,750,160.11	
Other investments, mortgages, exchange seats and properties acquired, held for sale, less reserve		199,283.40	
			1,949,443.51
Fixed:			
Real estate, plant and equipment at the depreciated replacement valuation as appraised by Canadian Appraisal Company Limited as of 15th June, 1929, plus additions at cost		$ 5,807,427.24	
Less reserve for depreciation		1,403,130.37	
		$ 4,404,296.87	
Trucks and automobiles at cost less depreciation		75,104.48	
			4,479,401.35
Leases, contracts, goodwill, etc.:			
Leases and contracts (less amounts written off)		$ 700,000.00	
Trade marks and goodwill		300,000.00	
			1,000,000.00
			$10,249,899.23

LIABILITIES

Current:			
Current bankers' advances (secured)			$ 1,056,833.78
Bills receivable under discount			91,614.39
Owing for purchases of grain (secured)			28,017.58
Accounts and wages payable and accrued charges			375,887.13
Taxes payable and accrued			121,092.88
Bond interest accrued			23,102.50
			$ 1,696,548.26
Deferred:			
Deferred bankers' advances (secured)			1,966,300.00
Bonds:			
First mortgage bonds due 1st December, 1958—3% interest to 1st December, 1943, 5½% thereafter		$ 5,000,000.00	
Deduct redemptions		379,500.00	
			4,620,500.00
The Campbell Flour Mills Company Limited 5½% first mortgage bonds due 1949	$1,100,000.00		
Hedley Shaw Milling Company Limited 5½% first mortgage bonds due 1949	750,000.00		
(Pledged to secure the above $5,000,000 first mortgage bond issue)			
Capital:			
Authorized—			
100,000 Class "A" participating preferred shares of no par value redeemable at $17.50 per share and entitled to a dividend of 70c per share per annum, cumulative from 1st December, 1938.			
300,000 common shares of no par value.			
3 management shares of no par value.			
Issued—			
91,997 Class "A" shares at $14 per share		$ 1,287,958.00	
250,100 common shares at $1 per share		250,100.00	
3 management shares at $1 per share		3.00	
		$ 1,538,061.00	
Less stated value of shares held by subsidiaries		20,459.80	
			1,517,601.20
Surplus:			
Balance including surplus arising from reduction of capital, less amounts written off assets, etc.			448,949.77
Contingent liabilities:			
(1) For possible taxes in respect of prior years.			
(2) Guarantee of quarterly dividends on preferred shares of Eastern Bakeries Limited to 15th January, 1944, not exceeding $13,000 per annum.			
			$10,249,899.23

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the foregoing consolidated balance sheet of Maple Leaf Milling Company Limited and its subsidiaries as at 31st July, 1939, and of the accompanying consolidated statements of profit and loss and surplus for the year ending on that date. In connection therewith we examined or tested the accounting records of the company and its subsidiaries. We also made a general review of the accounting methods and of the operating and income accounts for the year and made tests of the year's transactions.

We report that, subject to the values at which fixed assets and investments are stated and to the adequacy of the reserve for depreciation, in our opinion based upon our examination the foregoing consolidated balance sheet and related statements of profit and loss and surplus have been drawn up in accordance with accepted principles of accounting so as to exhibit a true and correct view of the state of the companies' affairs as at 31st July, 1939, and of the results of their operations for the year, according to the best of our information and the explanations given us and as shown by the books of the companies. All our requirements as auditors have been complied with.

Toronto, Canada,
5th October, 1939.

CLARKSON, GORDON, DILWORTH & NASH,
Chartered Accountants.

Consolidated Surplus Account for the Year Ended 31st July, 1939

Balance 31st July, 1938		$ 16,941.85
Net profit for year after providing for income taxes	$394,022.67	
Add: Recovery from sale of collateral security, etc., given by former officers	7,886.25	
Reserves provided in prior years, no longer required	55,099.00	
		457,007.92
		$473,949.77
Deduct amount written off leases and contracts		25,000.00
Balance 31st July, 1939		$448,949.77

Week in Mining

B.C. Cracks Down Fast On C. I. O. Mine Strike

Province Makes Pioneer Gold Walkout Full Test Case for New Arbitration Legislation — May Include Privateer Situation

British Columbia has lost no time in "cracking down" on the efforts of the C.I.O. to create labor disturbances in the province's gold mines.

Branding the walkout at Pioneer Gold Mines in the Bridge River area as illegal and a challenge to the Government, Hon. George S. Pearson, minister of labor, has had summonses filed against six leaders of the International Union of Mine, Mill & Smelter Workers under the new B. C. Industrial Conciliation and Arbitration Act.

The Government plans to make the Pioneer incident a full test case for the legislation which was designed to prevent walkouts and lockouts before opportunity had been provided for conference and settlement.

This is the first prosecution of its kind since the measure was passed in 1937. It was indicated that the Government is prepared to carry it through all courts if necessary.

The strikers claim that the strike is not illegal; that they waited a week after applying for a conciliation commission before calling the men out. Mr. Pearson is content to let the courts decide that point.

* * *

In Zeballos Too

It is possible that the Act will also be called into play in the Privateer mine case. The Privateer has curtailed production as a result of the dismissal of 79 workers due to an altercation about management. It is strongly hinted that efforts of the C. I. O. to organize the Zeballos camp and demand higher wages were an underlying cause of the controversy.

Mine operators protest that, despite current rumors that their earnings have been greatly increased as a result of payment for their bullion in U. S. funds, their revenue has not been augmented from that source except in minor degree. About one half the additional income goes to the Government in taxes. Most of the balance is absorbed by increasing costs of operation.

* * *

Rush

A minor staking rush is reported to have resulted in the recording of some 250 claims to the east and west of a find made recently by Jack Tremblay, north of Rennie Lake, in the Missanabie area of the Sault Ste. Marie mining division. A surface crew is working on a showing of visible gold and native silver in a zone 40 feet wide. The values are reported associated with considerable mineralization, of pyrites and galena. The mineralization has been traced for a distance of 700 feet at last reports.

* * *

New High

A spectacular increase in the volume of nickel exports was reported for the month of September, when 26,300,000 pounds of the metal, a new high record, were shipped out from the Sudbury district. Canada's exports of copper were also increased, being 46,800,000 pounds against 45,700,000 pounds in the preceding month.

* * *

Lignite Hopes

Lignite production at the Onakawana field, at Blacksmith Rapids, north of Cochrane, is predicted for early spring. Recent tests reveal that the lignite runs to an average depth of between 25 and 30 feet, according to Col. M. Lang, chairman of the T. & N. O. Railway Commission. In one section of the field, it is disclosed, lignite under the overburden of some 45 feet goes to a depth of 40 feet.

Test drilling has confirmed beyond all doubt, Col. Lang states, that the deposits have great commercial value.

In years past Onakawana was test-drilled over an area six miles long and half a mile wide. This time drillers are working at only one end of the field, which was scatter drilled in the earlier days. Holes are being bunched and the extent and depth of the deposit will be established before strip mining crews and equipment are sent in.

* * *

Bonds Are Retired

When bond redemptions are mentioned, industrials and public utilities are often thought of but not mines. Yet in the last fortnight two mining companies have called bonds or notes for redemption. Preston East Dome Mines has called all its outstanding 6% first mortgage bonds for redemption at 103 and interest on Jan. 1 and last Thursday Upper Canada paid off half the $150,000 of notes issued to finance mill construction. Upper Canada only started milling the fifth of this month, but operating profits realized previously by shipments to the Morris-Kirkland mill provided extra cash. On Aug. 31, cash on hand was $218,583 so that redemption of notes has not placed any strain on the company's cash resources.

GOLD MINE, MILL AND EQUIPMENT FOR SALE

TENDERS will be received by the undersigned on or before 10 a.m. November 2nd, for the purchase of the mineral claims, mill and equipment of the QUESNELLE QUARTZ MINING CO. LTD. (N.P.L.), situated at Hixon Creek, about 35 miles north of Quesnel, B.C.

The property consists of six Crown granted mineral claims with 4000 feet of tunnelling, Allis-Chalmers 25-ton Cyanide plant readily enlarged to 50-ton, and all accessory equipment, extra Diesel engine, assay plant, and cook and bunkhouse accommodation for 20 men.

Inventory may be seen at the office of the undersigned and the property inspected by arrangement.

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Estevan Coal Mining Curbed

Labor Trouble Renewed in Saskatchewan Lignite Field

From Our Own Correspondent

REGINA.—Estevan's lignite coalfield, which annually supplies Saskatchewan and Manitoba with more than one million tons of coal, mainly for domestic consumption, is again in the throes of labor troubles.

This time the United Mine Workers of America, the major union, is seeking recognition. Mine owners will dicker with the Canadian union but not with the U. M. W. A., and as the U. M. W. A. has the larger membership, its appeals to Ottawa for conciliation cannot go unheeded.

Basis of Trouble

The apparent basis of the trouble at present is the potential loss of union strength created by the closing down of larger mines through absorption by a strip mining company. Strip mining, with the aid of huge electrically driven shovels, can supply the market with most of the coal from that field at a much cheaper cost than with manual labor.

There have been various overt acts on part of the strikers, such as the blocking of roads to mines by pickets and physical violence. The Government is loath to send police into the district. It was in Estevan in 1931 that three miners died as the result of bullet wounds during a clash between police and strikers. The Government is desirous of avoiding a repetition of that. As matters now stand the field is curtailed about 75%, with coal supplies running short.

Dome Output Up For Nine Months

But Profits Before Write-offs Down Slightly — Taxes Rise

Production of $5,480,833 reported by Dome Mines for the nine months ended Sept. 30, 1939, was an increase from output of $5,470,830 obtained in the same period of 1938.

In spite of increased production, operating profit was slightly lower for the period at $1.56 a share compared with $1.64 in 1938. The decrease was attributable to higher taxes, an enlarged programme of outside exploration and smaller non-operating income.

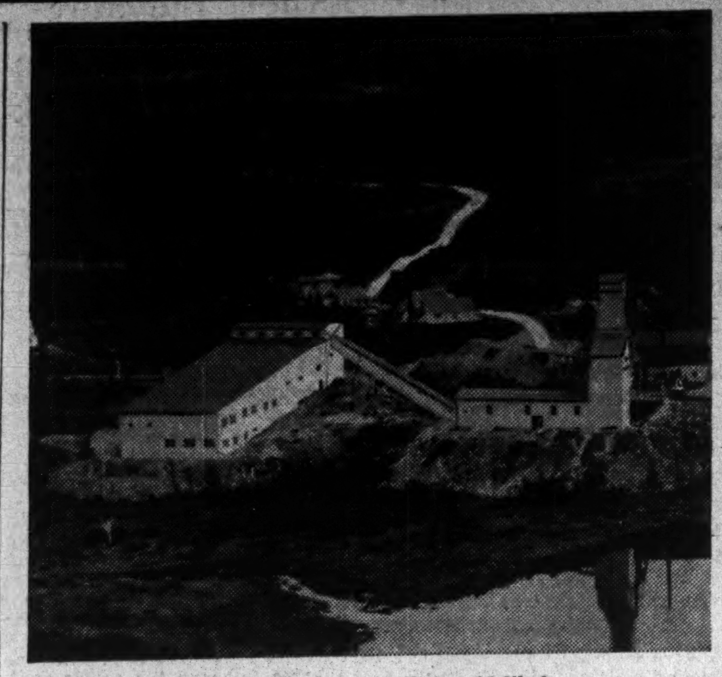
Cost of mine operation at $1,952,164 was down slightly from the $1,968,701 in the same period of 1938.

Estimated Earnings
Nine Months Ended Sept. 30

	1939 $	1938 $
Gross production	5,480,833	5,470,830
Less: Oper. costs	1,952,164	1,968.701
Prov. for taxes	594,303	545,907
Outside exp. w/o ..	79,703	18,250
Operating profit	2,854,663	2,937,972
Add: Non-oper. inc. ..	191,590	245,333
Est. net profit*	3,046,253	3,183,305
Production:		
Tons milled	480,500	450,000
Fine oz. gold	154,106	155,393

*Before depreciation, depletion and adjust. of contingent and surplus accounts.

Privateer Mine has declared a dividend of 5 cents a share payable Nov. 10, 1939, to shareholders of record Oct. 25. Three similar dividends have been paid so far this year and an extra of 2 cents a share.



Enlarging the Stadacona mill is said likely.

Says Stadacona Rouyn Has Turned the Corner

Stadacona Rouyn has "turned the corner," President Roy Anderson tells The Financial Post.

The major development programme which was undertaken in the spring of this year has produced very satisfactory results and clears the road ahead. Daily mill tonnage, which was sharply reduced about June to permit concentration on development work has not yet been returned to normal, but is likely to do so before the end of the year.

The present mill is capable of handling around 500 tons daily, but ore developments in recent months have been such as to make an increase to 800-1,000 tons daily capacity likely.

Deep Ore Indications

Indications on lower levels are that the ore will go very deep, Mr. Anderson said. The new four-ton hoist now being installed is on the point of completion. Mechanical muckers and an electric tramming system are both proving their worth in increased speed and economy.

Most interesting possibilities at present are in a new area "west of the dyke" which is now opening up very well, the management indicates. Most important, it is pointed out, is the fact that ore is being extended in the direction where Stadacona has the most ground.

The 1,100, 1,200 and 1,400 levels are being opened up and "responding nicely," the management states. Lowest drifting at present is on the 1,100 and is continuing in ore. Work is also under way on the 725, 850 and 975 levels. The shaft is now being continued down to 2,000, new levels to be established at 150-foot intervals.

Ore Reserves

Ore reserves are now estimated at approximately 275,000 tons without including new ore below the 975-ft. level. Since ore is known to extend to at least 1,400 ft. depth where 6½ ft. of core in a diamond drill hole ran $15.45 a ton, chances for additional ore reserves at depth appear very bright.

Milling continues at 375 tons daily compared with a low of 304 tons daily last May. Production is running $50,000 to $60,000 monthly with the premium on gold bringing in $5,000 to $6,000 per month extra.

Rich Ore West of Dyke

Estimated ore reserves also do not include any tonnage west of the dyke on the 975-ft. level where diamond drilling, drifting and crosscutting have indicated a large tonnage. A high-grade pocket encountered on this level west of the dyke gave a series of high assays. For instance, a slash in the west wall gave assays of $32.90 across 3 ft.; $35 across 3 ft.; and $45.20 across 3 ft. 2 inches. Other assays over 2-ft. widths were exceptionally high. One ran around $1,500 and another $1,700. While there was obviously free gold in these two large assays, they show that really high-grade ore pockets are encountered.

First Indication Good

First indication of ore in the main No. 2 break at the 1,125-ft. level was given by a diamond drill hole east of the crosscut. The following consecutive values over 2-ft. widths were intersected: $29.75, $82.25, $37.45 and $7. A crosscut was then put out to investigate this ore showing.

First work on the 1,125-ft. level had encountered a shear zone 70 ft. north of the shaft. In crosscutting and slashing the west wall an average of $4.20 across 60 ft. was obtained with the best section averaging $8.53 across 24.5 ft., including a 6-ft. section averaging $15.60.

Advantageous Agreements

Agreements concluded with Pelletier Lake Gold Mines and Wright Rouyn Gold Mines may prove very profitable if substantial ore is found on either of these properties. Under agreements, the Stadacona 600-ft. level drift was extended 600 ft. southwest across the Pelletier Lake property and is now being continued 1,000 ft. across the Wright-Rouyn property.

Both Pelletier Lake and Wright Rouyn agreed to pay for drifting across their properties. Ore under $7 a ton becomes the property of Stadacona while 50% of the value of any ore worth over $7 a ton is also being received by Stadacona. If ore on either Pelletier Lake or Wright-Rouyn warrants, Stadacona is to arrange mining and milling.

Treatment of such ore would not only be a source of profit for Stadacona but average costs could be lowered by treatment of a larger tonnage of ore. Surface diamond drilling and drifting at the Pelletier Lake property indicate a considerable tonnage, while ore chances at Wright Rouyn appear interesting.

The working capital position of Stadacona was improved by a financing agreement completed last May. A total of 72,233 shares underwritten for $40,500 have been all taken up. Options remain outstanding on 150,000 shares, 50,000 shares at 75 cents to March in 1940, and 100,000 shares at $1 a share to Sept. 1, 1940.

McIntyre Quarter Lower But Half Shows a Gain

Estimated net income of $868,284 or $1.09 a share is reported for McIntyre Porcupine Mines for the three months ended Sept. 30, 1939, compared with earnings of $1.18 a share in the immediately preceding three months and $1.11 in the same quarter of 1938.

Earnings for the first half of the current fiscal year to Sept. 30, 1939, were $2.27 a share compared with $2.26 in the same period last year.

Gross income for the six months ended Sept. 30, 1939, was somewhat higher at $4,508,063 compared with $4,289,816 in 1938. Operating costs, however, were higher by nearly $200,000 and non-operating charges also partly nullified the gain in revenue.

Macassa Last Quarter Earnings Rise Slightly

Estimated net earnings of $261,722 or 9.7 cents a share are reported by Macassa Mines in the three months ended Sept. 30, 1939, bringing total earnings for the nine months to 28.5 cents a share. Earnings for the quarter were slightly higher than the $257,333 or 9.6 cents a share reported the previous three months.

Tonnage of ore milled showed an increase at 37,333 tons compared with 37,124 tons in the June quarter. Total production was also up about $700 at $577,906.

Beattie Income in Quarter Is Lower Than in 1938

Estimated profit of $258,460 is reported by Beattie Gold Mines for the three months ended Sept. 30, 1939 before taxes, depreciation or deferred development. This compares with $274,336 profit for the September, 1938, quarter on the same basis.

Although an extra $20,087 was received due to the increased price of gold in 1939, bullion recovery was lower at $595,736 compared with $602,085 in 1938. Tonnage milled showed an increase at 154,415 tons against 151,700 tons in the third quarter of 1938. Operating costs were approximately $10,000 higher at $337,557 in 1939.

Coniaurum Income Higher In Third Quarter of 1939

Estimated profit of $172,333 is reported by Coniaurum Mines in the three months ended Sept. 30, 1939, approximately $21,000 higher than for the corresponding period of 1938. Increased price of gold was partly responsible, an additional $17,791 being received. Profit figures are before taxes, depreciation or deferred development.

Production in the September quarter was $433,835 from 46,570 tons, compared with $417,559 from 47,180 tons in 1938. Development and operating costs showed decline at $269,740 against $273,177.

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Week in Oils

Anglo 8 Well Success Opens Big New Area

New Producer Should Bring New Activity Into Extensive Centre Flank Area—Le Sueur Says Pipeline to Regina Next Step

From Our Own Correspondent

CALGARY. — Success at Anglo Canadian well proves up an important new section and opens for development an area larger than the rich south Turner Valley with its more than 80 crude oil producers.

This is the most significant development for the future of the Alberta oil industry since the coming into production of Home 2 in the far northwest corner of the Turner Valley structure. It should have important effects on the plans of drilling companies for immediate activity.

In its first 24 hours Anglo Canadian 8 produced 740 barrels.

Location of Anglo 8 in the central west flank is extremely important. The more than 80 producing wells in south Turner Valley are bunched in a small area hardly seven miles long, hardly a mile wide. Home 2, the farthest north well on the Turner Valley structure is a good 20 miles north of the heart of the south Turner Valley field. Royalite and Model have some wells four or five miles south of Home 2. The new Anglo well now gives life to this 10-mile-long middle zone.

* * *

Had Setbacks

This new area has had a couple of setbacks hich discouraged drilling despite good geological indications. In 1937 the Dalhousie 8 well in this area encountered faulting in the line, did not get a porous zone and was abandoned. Another centre zone drilling was Brown 3 which failed to get commercial production. Brown 3 is now being prepared for a new acid treatment in the hope that something may yet be made of it.

Geologists believe that the centre area may not be so uniformly productive as southern Turner Valley, but that important wells will be developed. Anglo 8 drilling was shallower than expected, a fact which leads geologists to believe that the probable productive area is somewhat wider than in the south end.

C. & E. Corp. has a 15% gross royalty on Anglo 8; others 5% gross; 15% net to Valley Drilling Co. and 65% net to Anglo-Canadian.

* * *

Third Largest

Royal Canadian 3 has been assigned a 678 barrel quota which makes it the third largest in the field. It is the latest completion prior to Anglo Canadian 3 and the deepest in the field. It was originally given the sixth largest quota in the field but acidization and further tests showed it to be better than originally expected.

Significant is the fact that because of its depth and the desire not to get down into the salt water zone which was encountered by Scottish 1 in the lower line, Royal Canadian drilled just far enough to penetrate the upper porous zone, so production is from one zone only

* * *

"Next Logical Step"

"Next logical step" in Turner Valley, according to R. V. Le Sueur, vice-president of Imperial Oil, is construction of a pipe line from the Turner Valley field to Regina. The field is now producing enough oil to justify such a step, he said, adding that his own company has been giving serious consideration to undertaking the job.

It now seems pretty well established that pipe-line construction to the head of the Great Lakes has been shelved for the present. A pipe line to Regina would at least start the pipe-line project rolling and would of course very considerably extend the economic limits of the market for the Alberta crude. It is suggested that the Calgary-Regina pipe line would cut transport costs by at least 11 cents a barrel.

* * *

Won't Hurt Recovery

Gas pressure is holding up very well generally in Turner Valley, but dropped off seriously for British Colonial. W. F. Knode, former head of the Conservation Board, now a practising consulting engineer, has just completed a report on it, concluding that the present gas pressure decline "should in no way affect the ultimate oil recovery from the well." He explains that when originally brought in, there was a large amount of oil in the formation and "the energy that has been depleted in this withdrawal has not been supplemented at a corresponding rate from the energy source. Hence the well finds itself with an oversupply of oil in relation to its supply of energy. The rate of withdrawal may conceivably be affected, but efficiency of operation demands that the rate of production must be in balance with the rate of energy influx."

On completion last July, British Colonial had sufficient gas energy to show a production rate of over 1,000 barrels a day. Present pressure is just about enough to produce 350 barrels daily.

* * *

Debenture Financing

York Oils has arranged financing of its No. 3 well in south Turner Valley by the issue of $200,000 five-year 6% secured sinking fund debentures. Security is the company's share in production from the two producers York 1 and York 2 plus net production from No. 3. A bonus of one tenth of 1% gross royalty in York 3 was given with each $1,000 debenture purchase. The issue was promptly subscribed and work on the well is to start shortly.

* * *

Adds Acreage

Addition of another 14,800 acres on the Brazeau structure brings Home Oil holdings there to 78,33 acres, a company report on activities since July of this year reports. The company reports satisfaction with drilling progress at Home-Brazeau 1 well but admits that it may shortly have to change to rotary equipment. The cable tool rig has been blown out of the hole by heavy gas pressure twice, each time creating a tedious and expensive fishing job.

Two other Home wells are also being drilled at present, the Home-Millarville 2 and 3, which are down around 5,000 and 5,700 feet respectively.

Total market value of the company assets Sept. 30 was $1,435,580, including cash $267,119, government bonds $300,000 and 20,000 shares of Royalite. This does not include land, leases, equipment and producing well which are held in the names of private companies.

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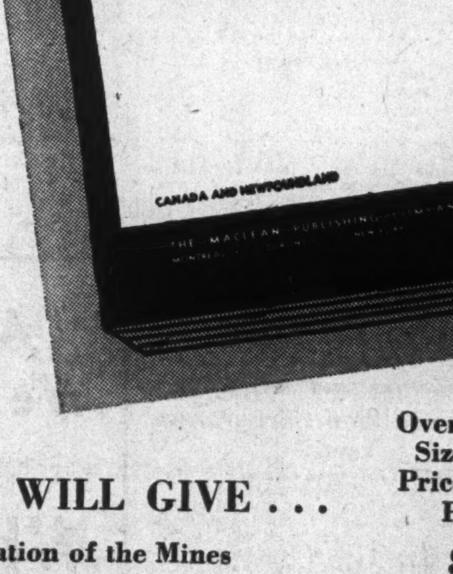

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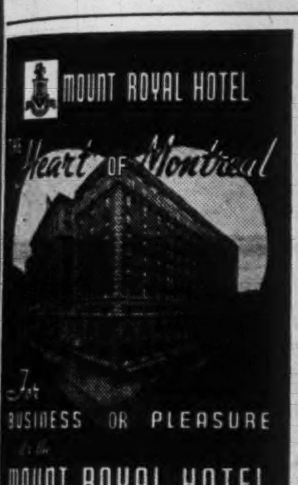

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War Metals—Molybdenum

Indications Suggest Canada Again to Become Producer

This is the sixth in The Financial Post series of articles on war metals.

What is the wartime use of molybdenum?

Molybdenum has threefold value in wartime. Alloyed with other metals, it resists heat generated by friction. It is important in the manufacture of highest grade tools for machines. It is an important constituent of armor plate.

Molybdenum is replacing tungsten in production of cutting tools. Hardly any type of equipment for warfare exists to which molybdenum does not make an important contribution. Not only does it give hardness to barrels of big guns but it is necessary in equipment for turning them out.

Mechanized equipment is a particularly important field for molybdenum. Crank shafts, bearings and Diesel engines all require molybdenum. Molybdenum gives strength to airplane parts likely to undergo great stresses. In the last war, Liberty engine crank shafts and armor plate of France's light Renault tanks were strengthened with molybdenum. In Diesel engines, molybdenum is used in three different alloys, chrome-moly, nickel-moly and chrome-nickel-moly steels.

* * *

What are the chief sources of molybdenum?

Of 36 million pounds of molybdenum produced in the world in 1938, 33.3 million pounds, or 92.5% came from the United States. The small output of other countries came chiefly from Mexico, Norway and French Morocco.

The Climax mine of Climax Molybdenum Co. in Colorado produced 85% of the United States production or 78% of the world production in 1938. Capacity at the Climax mine was stepped up at the end of 1937 and 4.3 million tons of ore were mined in 1938 containing 0.61% molybdenite from which molybdenum is obtained. Molybdenite runs approximately 60% molybdenum, the element.

* * *

Are the uses of molybdenum growing?

Yes. After the Great War molybdenum practically went out of use until new peacetime needs were developed. Uses have grown so that many times the output in the last war is now required in peacetime industry.

Demand has increased so that production has doubled since 1935. The United States Department of the Interior states: "Continued research is broadening the field of application both in new outlets and as a substitute for and an addition to other alloying metals." War will undoubtedly broaden the already large field.

* * *

Has molybdenite fluctuated much in price the last few years?

No. Climax Molybdenum Co. is the dominating factor in the molybdenum-producing industry and its sales have been aimed at stabilizing the price. Molybdenite has been selling at around 42 to 45 cents a pound the last few years in the United States. Due to the premium on American funds, transportation, a tariff and other factors the price in Canada is close to 60 cents a pound for 90% molybdenite.

In the last war, molybdenite fluctuated greatly, rising as high as $6 a pound in the United States. An embargo on molybdenite export was placed in Canada and a price of $1.09 a ton f.o.b., Ottawa, was set.

* * *

What chances will any Canadian producers have in the world molybdenite market?

While Climax Molybdenum dominates the market, other producers should be able to sell their products if costs are low enough. Production of most of the world's nickel by International Nickel, for instance, has not prevented Falconbridge Nickel producing profitably in the nickel industry.

Huge production at Climax gives low costs. If competition becomes important Climax might consider cutting prices to eliminate other production. A tariff of 35 cents a pound has been raised against molybdenite entering the United States, cutting off the big United States market to any possible Canadian producers.

* * *

How much molybdenum did Canada produce in the last war?

In 1914, Canada produced 3,814 pounds of molybdenite. This was increased to a peak of 378,406 pounds in 1918. Output dropped off to 225 pounds in 1920 when total output was for experimental purposes.

In April, 1916, the Quyon mine in Quebec was brought into production. At that time it was believed the largest molybdenite mine in North America. In 1916 its output was 129,267 pounds of a total Canadian output of 159,000 pounds.

* * *

What chances has Canada of becoming an important producer of molybdenite?

Hundreds of molybdenite finds have been made in Canada from Atlantic to Pacific. In view of the limited exploration carried on for the metal the number of finds is impressive. Canada already produces most of the world's metals and present indications suggest that discovery of a large commercial molybdenite deposit is probable.

Recently the Molybdenum Institute of Canada was formed to promote development of molybdenum showings and to disseminate accurate information on molybdenum. This is aiding the prospector in contacting parties for development of holdings.

* * *

What is the position of Canada's molybdenite properties today?

Most of them are in the early development stage. Sales of Canadian molybdenite in 1938 were only $4,500 from production of Zenith Molybdenite in Renfrew County, Ont. A few months ago, a 15-ton test mill started at Regnery Metals, Algoma district, Ontario. Reserves indicated by diamond drilling at the Regnery mine are estimated at 172,000 tons averaging 1.1% molybdenite and a much larger mill is being considered. Finances for this development have been provided privately.

The Quyon mine in Quebec is reported to have some reserves remaining from the last war and the owners plan to resume operation if satisfactory financing can be arranged.

* * *

Are Canadian deposits the same character as the chief molybdenite source, the Climax mine, in Colorado?

Several properties exist in the Algoma area which are similar in that values are disseminated or scattered through the rock as at Climax. No comparable tonnage possibilities have even been hinted at, of course. With values disseminated, it has been fairly easy to determine potentialities. A possible deposit about a mile south of the Regnery has disseminated values. This property is now being examined by a strong United States financial group. While values are low, tonnage possibilities are considered very great. Near the Manitoba boundary in Ontario, disseminated values have been found in several places recently. Prospectors in British Columbia have been meeting with success and the Provincial Government has been lending every encouragement.

Nearly all developed properties in the world outside the Climax and Regnery have molybdenite occurring in flakes or leaf form rather than disseminated. The flaky deposit has the disadvantage of being pockety. Diamond drilling may indicate molybdenite but outlining of tonnage is difficult.

Most of Canadian production has come from the leaf type of deposit in an area extending from Haliburton through Renfrew county and across into Quebec where the Quyon mine is located. These deposits are usually in pegmatite formation or associated with the pegmatites. The Quyon mine is an exception with deposition occurring in syenite formation.

North American Molybdenum Corp. is now opening up the old Spain mine which was an important molybdenite producer in the last war. A big open cut operation is planned. Edgemont Mines in the same area is carrying on 3,000 ft. of diamond drilling following surface exploration which gave 2.03 to 6.11% molybdenite over widths of 18 inches. Prospecting in this area is more active than for many years.

* * *

Is molybdenite ore difficult to treat?

No. Molybdenite can usually be processed by simple amalgamation after grinding. Amalgamation is much cheaper than the cyanidation usually resorted to for treating gold ores. Molybdenite ores are often soft, occurring in soft host rocks. This makes for cheap mining and grinding costs.

Particular deposits, of course, present their own problems. The Regnery deposit in the Algoma area is associated with chalcopyrite which usually makes molybdenite treatment difficult. After initial discouragement, a method of treatment for Regnery ore was worked out at the Massachusetts Institute of Technology.

Mining Concentrates

Buffalo Ankerite directors at a meeting on Oct. 17 decided to defer action on payment of the quarterly dividend until the next meeting to be held on or about Nov. 15. In making this decision, the board decided it would be advisable to "continue completion of the present development programme and to make certain that the payment of the dividend would in no way curtail completion of these plans." Work on the shaft and winze is now completed. Lateral work is being rushed to open up ore from the levels established below 1,050 ft. by development work.

* * *

Century Mining Corp. is continuing work at property of Golden West Mines in Manitoba. Work on 125-ft. level has outlined 11,560 tons of ore averaging $18 per ton and on the 250-ft. level some 14,000 tons averaging $8.25 per ton. The high-grade encountered on the 125-ft. level has not yet been encountered on the 250-ft. level but as the ore has a southerly rake it should be picked up further south. On both levels, work has proved ore beyond lengths indicated by diamond drilling. Drifts are being continued and three faces are said to be continuing in good ore. Buildings and equipment have been prepared for winter operations and supplies have been taken in to carry over the freeze-up period.

* * *

Central Cadillac Mines has rented the mill of Thompson Cadillac Mining Corp. for a period of 6½ months from Nov. 15, subject to renewal. Under agreement, Central Cadillac will meet charges at Thompson Cadillac, such as insurance, dewatering etc., amounting to about $1,000 monthly and in addition will allow a profit of $500 a month. Central Cadillac will not require to use the Thompson Cadillac roaster as there is only a slight arsenic content to Central Cadillac ore. Thompson Cadillac is still in bankruptcy.

* * *

East Malartic Mines is proceeding with construction of its mill addition which should be ready for operation by Dec. 1, 1939. September set a new record for tonnage milled, and both average and total recovery.

1939:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
September ..	29,042	968	8.60	249,845
August	24,957	805	7.40	184,560

* * *

Hedley Mascot Gold Mines has omitted its regular quarterly dividend of 3 cents a share in order to conserve cash as production has been lower the past few months.

* * *

Hudson Bay Mining & Smelting has declared a dividend of $1 a share Canadian funds, payable Dec. 11, 1939, to shareholders of record Nov. 17.

* * *

Howe Sound Co. net profit for the three months ended Sept. 30, 1939, amounted to $1.26 a share compared with $1.37 a share in the preceding three months and $1.26 in the corresponding period of last year. Sales of lead and copper showed increases and sales of zinc a decrease from the preceding quarter. Operations at the company's Chelan property in the State of Washington were resumed on Aug. 20, 1939, following a strike which resulted in a suspension of production on July 7, 1939. Company reports the labor union at the request of a group of members voted to end the strike and resume work.

Income Account
Three Months Ended September 30

	1939 $	1938 $
Gross earn.	3,882,523	4,211,340
Less: Oper. exps. ..	3,132,874	3,453,179
Oper. profit	749,649	758,161
Add: Other income .	8,041	16,085
Total income	757,690	774,246
Less: Depreciation .	161,848	180,367
Net profit	595,842	593,879
Metals Sold:		
Gold, oz.	13,245	15,150
Silver, oz.	998,550	1,183,926
Copper, lb.	12,123,092	13,881,426
Lead, lb.	27,809,188	30,731,436
Zinc, lb.	21,478,582	33,136,436

* * *

Malartic Gold Fields has received Oct. 16 option installment on 40,000 shares at 65 cents a share. Balance comprises option on 250,000 shares at $1 a share with next installments exercisable by Nov. 16. Issued capital is 3,750,000 shares.

* * *

McIntyre Porcupine has declared an extra dividend of $1 per share, payable Jan. 2, 1940 to shareholders of record Nov. 1; ex-dividend Oct. 31. In addition, four quarterly dividends of 50 cents each have been declared as follows: 1st payable Dec. 1, 1939, to shareholders of record Nov. 1; 2nd payable Mar. 1, 1940 to shareholders of record Feb. 1; 3rd payable June 1, 1940 to shareholders of record May 1, and 4th Sept. 3, 1940 to shareholders of record Aug. 1. All dividends are in U. S. funds.

* * *

Leitch Gold Mines had a net profit equal to 2.4 cents a share in the three months ended Sept. 30, 1939, compared with 2.2 cents in the preceding three months and 1.9 cent in the March quarter.

Earnings Statement
Three Months Ended Sept. 30, 1939

	$
Bullion production	188,245
Less: Oper. & admin. exps.	97,417
Net operating earnings	90,828
Add: Other income	1,257
Net earnings	92,085
Less: Depreciation	11,970
Deferred devel. w/o	7,977
Outside exploration	1,102
Reserve for taxes	3,250
Net profit	67,786

* * *

North Whitney Mines has completed installation of a new mining plant and dewatering of the workings is under way. First work will be drifting east and west of the south crosscut in the 30-ft. wide shear encountered in 1923 at the 250-ft. level. No work has been done underground since that time.

* * *

New Golden Rose Mines continues to show fluctuations in output and operating profits. Output for September was $47,710, the highest in some months, compared with $32,031 in August. Operating profit for September was $23,357 as against $5,821 the preceding month.

* * *

Sheep Creek Gold Mines reports an estimated net profit equal to 5.75 cents a share in the three months ended Aug. 31, 1939, the first quarter of the company's fiscal year. Production of $255,381 for the period was obtained from 14,174 tons of ore milled for an average recovery of $18.02 per ton.

Estimated Earnings
Three Months Ended Aug. 31, 1939

	$
Production	255,381
Add: Misc. income	1,602
Total income	256,983
Less: Ming., mill. & gen. adm. ..	103,763
Net earnings	153,220
Less: Depreciation (est.)	4,200
Depletion (est.)	14,316
Taxes (est.)	27,106
Est. net profit	107,598

* * *

Siscoe Gold Mines had earnings of 3.6 cents a share in the three months ended Sept. 30, 1939, compared with 3.4 cents in the preceding three months and 4.2 cents in the first quarter of the year. Earnings of 11.2 cents a share for the first nine months of this year were down from 17.2 cents in the same period of last year.

Nine Mos. Ended Sept. 30

	1939 $	1938 $
Gross income	1,508,441	1,880,340
Less: Other exps.	785,780	844,042
Gross earnings	722,661	1,036,298
Less: Depreciation ...	115,680	111,615
Res. for taxes ...	86,185	127,061
Net earnings	520,796	797,622
Tons Milled	162,493	161,192

* * *

Ymir Yankee Girl reports profit of $42,844 equal to 2 cents a share for the year ended Aug. 31, 1939, compared with $7,334 in the previous year. Working capital as at Aug. 31, 1939, was $168,334, an increase of $67,347 from the end of the previous year.

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Granby Might Build Smelter

But Unnecessary While Japan Takes Entire Production

From Our Own Correspondent

VANCOUVER.—Granby Consolidated Mining, Smelting & Power Company, which is now shipping its entire production of concentrates to Japan under special permit from the Canadian Government, is making tests with a view to establishing its own smelter near the scene of its operations at Allenby.

A. S. Baillie, vice-president and general manager of Granby, says that the contract with Japanese interests has until July, 1940, to run and there is a good prospect of its being continued; but if anything should happen to interfere with that arrangement it might be necessary for Granby to go into the smelting process as well as concentrating. The product would probably be shipped to some refinery in the western United States, as all plants in eastern Canada are said to be fully engaged.

The smelter would be the only one of its kind in western Canada, as the copper plant formerly operated by Granby at Anyox has been dismantled.

After deducting interest and taxes, the operating profit of Granby for the quarter amounted to $256,268. Net income was $180,159 These figures are based on an average copper price for the quarter of 10.611 cents and are subject to adjustments when final settlement figures are available.

Debentures purchased during the third quarter amounted to $72,200, reducing the outstanding debentures at Sept. 30, to $398,200.

The operating profit for the nine months ended Sept. 30, after deducting interest and taxes, amounted to $622,535, and after deducting depletion, depreciation, the net income for the period was $411,002.

Walter C. Bennett, president of Nichols Copper Co., was elected a director of the company.

Powell Rouyn Profit Is $133,886, Sept. Quarter

Operating profit of Powell Rouyn Gold Mines for the three months ended Sept. 30, 1939, amounted to $133,700 with net profit of $133,886 before taxes, depreciation and preproduction write-offs. Net profit for the six months ended Sept. 30, 1939, amounted to $259,517 on the same basis.

Output of $358,218 in the September quarter was obtained from 67,996 tons of ore treated, bringing gross value of ore for the six months to $690,738 from 134,346 tons of ore.

As at Sept. 30, 1939, current assets totalled $444,491 against current liabilities of $44,121.

Sullivan Reserves And Profit Higher

Ore Reserves Increased 50% During the Last Five Months

Ore reserves, production and operating profits of Sullivan Consolidated Mines were increased substantially in the three months ended Sept. 30, 1939.

Ore reserves at 311,000 tons averaging $10.15 per ton showed an increase of 50% over the 191,000 tons averaging $10.75 a ton reported on April 1, 1939. Production and operating profits for the three months ended Sept. 30, 1939, were both over 50% above the corresponding figures for 1938, as shown below:

Estimated Earnings
Three Months Ended September 30

	1939 $	1938 $
Production	292,494	188,069
Less: Marketing chgs.	3,260	2,252
Net production	289,234	185,817
Less: Oper. & adm. chgs.	153,373	100,702
Est. oper. profit*	135,861	85,115
Tons milled	31,567	13,755
Recovery per ton	$9.27	$13.67

*Before taxes, depreciation or deferred development.

Reno Mill To Treat Ore In New Shoots

Profit in 1939, 7.7c Per Share—Working Capital, $388,073

Exploration at Reno Gold Mines "has shown encouraging results," states General Superintendent W. S. Ellis, in annual report for year ended June 30. Milling was suspended March 15, but new ore developed in the Motherlode vein through the 4,900 tunnel will now be milled. Further ore sources are anticipated.

Net profit for the year ended June 30, 1939, was 7.7 cents a share against 9.2 cents the previous full year. Although $100,587 was expended on development of the Nugget, Motherlode and Central Zeballos properties, working capital declined less than $8,000 to $388,073.

Drifting on the Motherlode vein from the 4,900 tunnel opened up 261.5 ft. of ore averaging 0.76 oz. gold across 4 ft. There has not yet been sufficient work to indicate continuity between new ore and the ore in the old workings. The 5,600 tunnel on the Bluestone vein in the Fawn Basin area has opened one rich 50-ft. ore shoot and possibilities of ore below the level are considered good. The 4,900 tunnel is now being continued to prospect the Bluestone, Nugget and a number of other veins at depth.

Results at Central Zeballos justified erection of a mill which is now being proceeded with.

Income and Surplus Account
Year Ended June 30

	1939 $	1938 $
Bullion produced	469,378	759,520
Less: Mining	182,230	311,795
Ore transportation .	10,579	16,708
Milling	74,528	109,978
Marketing	3,118	4,809
Sundry admin. exp.	7,769	8,596
Operating earnings ..	191,354	307,634
Add: Misc. inc.	3,788	2,264
Net earnings	195,142	309,898
Less: Deprec.	20,734	32,945
Depletion	3,064	55,203
Prov. min. tax	7,411	12,256
Dom. & prov. taxes	18,218	36,005
Examinations	425	......
Net profit	145,290	173,489
Less: Dividends	56,400	225,600
Surplus for year	88,890	*52,111
Add: Prev. surplus ...	185,188	237,299
Surplus forward	274,078	185,188
*Deficit.		
Earnings per Share and Dividend Record:		
Earned	$0.077	$0.092
Paid	0.03	0.12

Working Capital
As at June 30

	1939 $	1938 $
Current assets	431,122	515,222
Current liabilities	43,049	119,254
Working capital	388,073	395,968

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British Orders Launch First Repatriation Move

Deposit and Purchase of Canadian Securities Facilitated

From Our Own Correspondent

OTTAWA.—To facilitate repatriation of the 3½% registered stock being redeemed by Canada, with a part of the proceeds of the $200 millions of two-year loans obtained from Canadian banks recently, United Kingdom authorities have issued two orders to holders in that country.

In the first place holders of these securities, all resident in the United Kingdom, have been told to register their holdings with the Bank of England by Oct. 29. Under a second order these holdings become the property of the British Treasury on payment of £100 13s 5d for each £100 principal held.

The stock is to be redeemed by the Canadian Government at the call price of 100. Recent quotations on the stock in London have been slightly above the fixed minimum price of 99.

To Buy Wheat

As a result of the first repatriation operation, Canada is retiring £28.2 millions of 3½% debt in Britain and is making available $90.5 millions to the British Government to be used in the purchases of war supplies in this country. A substantial part of the sum, it is understood, will be used forthwith for the purchase of Canadian wheat.

The Dominion profited by this operation both directly and indirectly.

Against the full sum of this debt in Britain, a sinking fund of £7.7 millions had been accumulated, leaving a net debt of £20.4 millions. At normal rate of exchange, $4.86 2/3 to the pound, it would have required $99.3 millions to pay off this debt. But the pound is only worth about $4.42 so that the retirement actually can be made for about $90.5 millions. When the operation is complete the net debt will have been reduced by about $9 millions. This means a saving in interest charges of over $300,000 per year.

Interest Savings Large

But the two year notes sold in Canada to retire this debt bear interest at only 2% so that there will be a saving in interest, for this period anyhow, of 1½% on the full capital sum. In effect, therefore, the result of the operation will be to cut the net debt by $9 millions and the annual interest charge from about $4.4 millions to $1.8 million.

As the war proceeds further large sums of British investments in Canada will be repatriated. There is £68.9 millions in bonds of Canadian Government and the national railway (excluding the issue already dealt with) held in Britain. These issues bear interest at varying rates —from 2 to 4%. But with the pound now selling at around $4.42 it is obvious that there will be a large capital saving to the Canadian treasury in repatriation. A saving of 40 cents per pound sterling, would cut this debt down by $27.5 millions and this would mean a reduction in annual interest rates of more than $800,000 per year.

Details of Plans Lacking

Owing, perhaps, to the immense amount of detail which operations of this kind involve there has been little exact knowledge at Ottawa of the progress of the British Government in mobilizing the foreign investments of its citizens.

The facts appear to be as follows:

On the eve of the war the British Government, which had complete plans ready to be put into operation, issued a treasury order, under the Defense (Finance) regulations providing for the registration or restriction of transfer of certain classes of securities payable in foreign currencies. These comprise securities payable in the currency (either directly or by option) of any of the following countries: Argentina, Belgium, Canada, France, Holland and the Dutch East Indies, Norway, Sweden, Switzerland, and the United States.

As from the date of this order, none of these securities could be sold or could change ownership without permission of the treasury. They had, as well, to be registered at the Bank of England within one month from Aug. 27.

One Interpretation

Commenting on this order, the London Economist said:

"These steps form an essential preliminary to plans for the mobilization of overseas securities to finance the burden of war. Powers have in fact been taken, permitting the acquisition by the treasury of all securities 'which are likely to be marketable outside the United Kingdom,' at not less than the market values on the date of the making of the order.

"This machinery would rule out the possibility that a scheme of lending securities to the treasury might be introduced as in the Great War, but the fact that full powers of acquisition have already been taken suggests that outright purchase is the more probable, leaving the Treasury to deal with the securities at their discretion."

Started Month Ago

That was on Sept. 2. Two weeks later, the Economist reported:

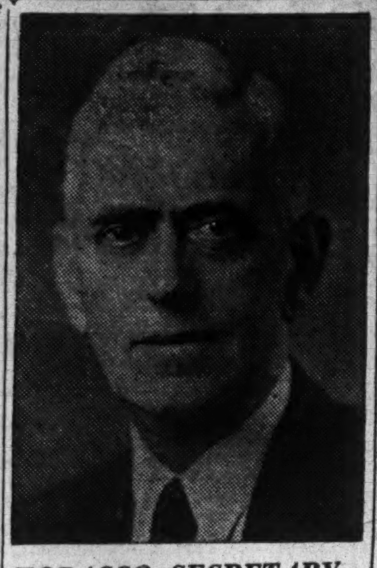
"The compulsory sale to the authorities of gold and foreign exchange assets held by residents in this country is already in full swing, and during the past week the exchange account must have gained considerable quantities of exchange."

A further reference to British policy was made in a broadcast over the B.B.C. on Sept. 28 by Geoffrey Crowther, well known British economist. He pointed out that British investors own large blocks of securities of other countries and added:

"These, too, form part of our national reserves, and those who own them have been instructed either to sell them immediately to the Government for pounds or to hold them ready to be sold. In this way a war chest is being built up which will be available to buy goods from abroad."

He said that the Government of France was accumulating a war chest in a similar manner.

Repatriation, therefore, is likely to proceed apace from now on. The speed with which British investments in Canada will be taken over by the Canadian Government and paid for in dollars, placed at the credit of the British Government, will doubtless depend upon the need of Britain for purchasing power in this country.



TOBACCO SECRETARY

A. L. Robertson, who has been appointed secretary of Imperial Tobacco Co. of Canada, succeeding F. P. L. Lane, who has been named vice-president of the company.

Auto Firms Expect Satisfactory Year

Results to Date and Motor Show Said Encouraging

Despite uncertainties created by war, automobile companies are hopeful of satisfactory results in Canada in the model year now under way, with at least moderate improvement over the past year.

Officials of most companies, both importing and producing in Canada, appear encouraged by preliminary distribution and sales and by the public support given the National Motor Show in Toronto last week. Attendance on both the opening and closing Saturdays was reported above the parallel days last year, and volume of visitors during the week was said to have been up to expectations in the light of prevailing circumstances.

A number of sales were reported made "off the floor" at the Show, especially of higher and medium priced cars. Ratio of sales interest and prospects to total attendance was said by most exhibitors to have been better than last year. It is expected that there will be good percentage of sales made early in the model year, because of the possibility that car prices may rise later as war boosts costs of materials. Also auto production my be curtailed as motor plants are turned to output of war equipment.

Canada Can Supply Ships If Patronage is Barred

Canada can speedily build a wide variety of craft for British and Canadian navy use, but it is essential that "the ignorant civil servant and the political middleman are kept out of the picture," declares Andrew D. MacLean in the current issue of Boating magazine.

"Friends" of the Government have or soon will be having their old craft "in various stages of decay" bought in for the Canadian Navy, the writer predicts.

"Aside from six excellent destroyers and five minesweepers, we have no suitable ships to protect some of the busiest harbors in the world or to convoy the vast amount of food and war material without which the Allies cannot win this war," the article continues.

Mr. MacLean reviews the various craft Canadian builders may be called upon to supply and their ability to supply them. The article says:

"Motor torpedo boats are essentially boats for attack and not patrol and are manned by two junior officers and about six to ten men. It is anticipated that these will be ordered just as soon as the Government places the necessary funds at the disposal of the Navy.

"If it ever becomes the policy of our Government to send any fighting ships to . . . European waters we could in six months build, power and man several hundred. Their engines —of several thousand horsepower— can be built or assembled in Canada. There are a dozen boatyards in the country that are capable of producing this type of vessel, but the Government must see to it that eevry boat builder is supplied with adequate plans and specifications and that standardization applies to every hull, every engine and every fitting."

Air force "crash" boats can readily be built in Canada, the article states.

"Several have already been built and engined in Canada and at least 25 more will likely be required immediately.

"There should be no delay in placing orders at once, as these little boats can be built in many of the smaller yards.

"The Canadian Navy needs a dozen or more small harbor launches about 30 ft. x 10 ft., gasoline powered for 15 knots.

"We need an unknown number of Diesel powered patrol vessels of a couple of hundred tons, more steam minesweepers and other vessels of a like type.

"That pathetic fleet of misfits that has gradually been accumulated over a number of ignorant years by the Department of Customs and later the Royal Canadian Mounted Police (Marine Section) has been taken over and commissioned by the Navy, including ships that have been laid up because they were unsafe or uneconomical or both.

"Most of them are entirely unsuitable for use at sea in wartime, but we have to have ships. The Navy will find their speeds far below that which they were supposed to do even before they are loaded down with guns and ammunition.

"The Navy will take or have already taken over a large number of ships—almost equally comic—from other departments of our Dominion Government."

New Books . . . .

How England Sees It

THE OLD COUNTRY UNDER FIRE. By Josh Bailey. Published by the Macmillan Co. of Canada, Toronto. Price $1.50.

Mr. Bailey is an English businessman who recently spent some months in Canada. He came to the conclusion that Canadians did not understand everything that was going on in Britain today, and did not have a full appreciation of the perplexities that made Mr. Chamberlain's task in Europe a most difficult one. He wrote this book to interpret Britain and British policy to Canada. He has done a most interesting and useful job.

The volume is written with sly humor and good taste. Mr. Bailey knows the weaknesses as well as the strengths of British character. No Canadian can read his book without enjoyment as well as profit. Finished in March, 1939, it does not deal with the Englishman under war conditions but it helps us to understand how the English would face—and are facing—war conditions.

Democracy Will Live

DEMOCRACY: TODAY AND TOMORROW. By Eduard Benes. Published by the Macmillan Company of Canada, Toronto. Price $3.50.

Democracy must and will return to Europe, despite the dark tragedy that has stalked its path in the post-war years. The ex-president of Czecho-Slovakia is confident of this because he believes that democracy, with its emphasis upon the freedom of the individual, is the only political system which expresses the innermost desires of every human being.

Dr. Benes traces the development of political systems in Europe from feudalism through absolute monarchy and democracy to dictatorship. He does not regard the unhappy record of post-war democracy as conclusive. Many countries were unready for democracy. And there were enemies of freedom that were at work—Communism, Fascism and the mistakes in the foreign policy of the great democratic powers. Nevertheless much of the policy of the war period and a number of post-war consequences do constitute, he thinks, a gain for humanity, morally and politically, and undoubted moral and political progress in the history of civilization.

Europe must choose between dictatorship and democracy. Dr. Benes rejects the idea that they can live side by side. Europe will, he is confident, choose democracy. Then and only then the League of Nations can be restored and made to work.

A kind of federative Europe will be the final result of the present profound European crisis, argues Dr. Benes. Only a United States of Europe can save Europe from complete and final collapse and moral and material ruin.

The book is based upon Dr. Benes's lectures at the University of Chicago.

Blue Book of War

THE BRITISH WAR BLUE BOOK. Published by Musson Book Company, Toronto. Price 50 cents.

The complete documents concerning the events leading up to the outbreak of war are here gathered together in an official British publication. Sir Nevile Henderson's dispatches, telegrams between the various ambassadors and the Foreign Office, extracts from Hitler's speeches, etc., are included.

Every Canadian will want a copy. Copies can be obtained also through the Home Book Service, 210 Dundas St., West, Toronto, at the published price, 50 cents.

Oxford Pamphlets

OXFORD PAMPHLETS ON WORLD AFFAIRS. By Various Authors. Published by Oxford University Press, Toronto. Price 10 cents.

Several more titles have been issued in this most useful series of small pamphlets dealing with the vital problems of the day. The newest titles bring the total number of pamphlets to thirteen.

"Living Space and Population Problems" is by Dr. R. R. Kuczynski of the London School of Economics. He effectively "debunks" Germany's claim for more room in Europe and the colonial areas.

G. F. Hudson's "Turkey, Greece and the Eastern Mediterranean" is an informative record of the post-war events and the present position in the strategically important eastern Mediterranean.

C. A. Macartney in "The Danubian Basin" highlights both the conflicts and the common interests of the countries in the Balkans.

The recent work of Sir Arthur Salter on "Security; Can We Retrieve It?" is in part summarized by him in "The Dual Policy."

"Encirclement" by F. L. Brierly exposes as propaganda the German claim that she is being encircled in central Europe.

Sir John Hope Simpson, author of a recent full-length study of the refugee problem in Europe, has written smaller pamphlets on "The Refugee Question," compressing his knowledge into small space.

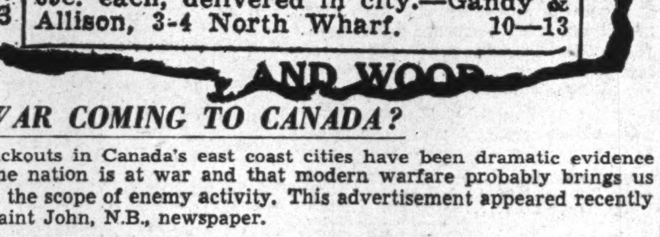
EASTERN TRUST DIRECTOR

From Our Own Correspondent

MONTREAL.—A. S. Fraser, president and managing director of Investment Foundation Ltd., has been elected a director of the Eastern Trust Co.

Twin City Asks Holders To Change Incorporation

Twin City Rapid Transit Co. has announced that a special meeting of shareholders will be held Dec. 6 in Jersey City, N.J., to consider succession by a company of the same name incorporated in Minnesota. The company was incorporated in New Jersey State on June 3, 1891.



FOR SALE—Sand for extinguishing incendiary bombs, 175 pound bags 65c. each, delivered in city.—Gandy & Allison, 3-4 North Wharf. 10—13

AND WOOD

IS WAR COMING TO CANADA?

Blackouts in Canada's east coast cities have been dramatic evidence that the nation is at war and that modern warfare probably brings us within the scope of enemy activity. This advertisement appeared recently in a Saint John, N.B., newspaper.

Pilot Training Scheme Likely To Be Expensive

From Our Own Correspondent

OTTAWA. — The announcement that Canada is to be the air base for the British Empire is much the most important announcement, so far as this country is concerned, that has been made since the outbreak of war.

The announcement has given rise to speculation that $700 millions will be spent on the scheme in the first year, and so on. This estimate appears to be based upon the computed cost of training a pilot for modern air warfare. At the last regular session a vote of $6 millions was passed to train 126 pilots.

But more than one half of this vote was earmarked for buildings and equipment. The actual sum voted for training worked out at about $23,000 per man, with a definite assurance from the department that as the scheme proceeded this figure would drop.

On this basis, the cost of training 25,000 pilots per year would be about $500 millions. But the great expenditure, at the outset, will not be for training but for the building of airfields, barracks, hangars and, above all, for the purchase of planes in which to train the recruits.

Raise Aircraft Output

It is understood that the production of air frames in Canada will be expanded to the limit. But aero engines are not produced here and the cost of producing them is believed to be prohibitive. The moment the neutrality law in the United States is lifted it will be possible to purchase there, and between home production of frames and imports of engines and complete planes, rapid progress should be possible.

After making every allowance for exaggeration in the figure of $700 millions per year it is clear that the cost of this scheme to Canada (and the bulk of the recruits undoubtedly will be Canadians) will be very great. If the war continues for three years it is more than probable that in this one field, Canada will spend more money than throughout the entire period of the Great War.

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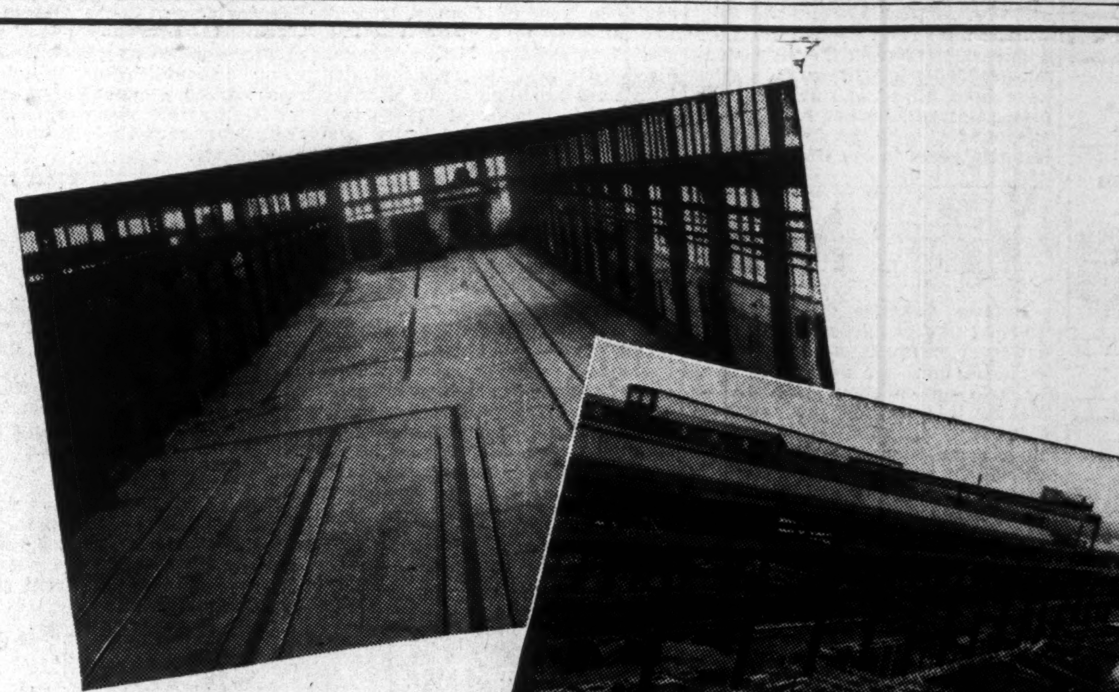
Pack up your troubles in your Old Kit Bag!

Everybody knows the words with their catchy tune. To younger people it is just a song. To many of the older generation it brings back memories from overseas . . . Young folk are apt to miss the significance of the "kit bag" — which is something to be packed and strapped on as comfortably as possible when one is braced to start on an adventure . . .

"So pack up your *troubles* in your old kit bag and smile, smile, smile." It is the British way of doing things which have to be done — even distasteful things.

We in Canada, with the rest of the British Empire, by the judgment of free people, have undertaken a task. Worrying (which is letting "troubles" get in the way) will not help. We must "pack them up" so that we may get on with our jobs whatever they are on active service or in home, office or factory. For it will be a wonderful help if, as far as in him lies, each one of us plays his allotted part in the life of this nation with that indomitable humour which has always seen us through.

IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED



Representative views of developments now in course of construction for large Canadian firms. Here, as in many contracts today, speed is second only to efficiency and Foundation is rushing the jobs to completion.

When Rush Orders Swamp Accommodation

When you need new plant housing and facilities—f-a-s-t—choose a contractor with the organization to do a real job!

Men and equipment—engineering skill—unequalled experience in handling both large and small contracts with speed and thoroughness—all suggest you consult Foundation when planning new developments.

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